



**THE
UNIVERSITY OF
NORTH CAROLINA
SYSTEM**

Consolidated Financial Report

May 23, 2018

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Overview

The University of North Carolina (UNC) System is a multi-campus university dedicated to serving the state and its people through world-class teaching, research and scholarship, and outreach and service. In 1971, the Higher Education Reorganization Act placed the 16 baccalaureate-granting institutions that comprise the University of North Carolina System under one governing board. The act emphasized basic objectives for the University: to foster the development of a well-planned and coordinated system of higher education, to improve the quality of education, to extend educational benefits beyond campus borders, and to encourage economic and effective use of the state's resources.

The following entities are included in this report:

UNC System Office (Sys Ofc)	UNC Charlotte (UNCC)
Appalachian State University (ASU)	UNC Greensboro (UNCG)
East Carolina University (ECU)	UNC Pembroke (UNCP)
Elizabeth City State University (ECSU)	UNC Wilmington (UNCW)
Fayetteville State University (FSU)	UNC School of the Arts (UNCSA)
North Carolina A&T State University (N.C. A&T)	Western Carolina University (WCU)
North Carolina Central University (NCCU)	Winston-Salem State University (WSSU)
North Carolina State University (NC State)	NC School of Science and Mathematics (NCSSM)
UNC Asheville (UNCA)	UNC Hospitals at Chapel Hill (UNCH)
UNC-Chapel Hill (UNC-CH)	

In its efforts to move forward with strategic planning, the University recognized the importance of establishing an overall mission and defining the role each institution would play in fulfilling the mission. In 1992, the Board of Governors adopted a general mission statement, and after some modification, the official statement was given statutory status in 1995.

Mission Statement

The University of North Carolina System is a public, multi-campus university dedicated to the service of North Carolina and its people. It encompasses the 17 diverse constituent institutions and other educational, research, and public service organizations. Each shares in the overall mission of the University. That mission is to discover, create, transmit, and apply knowledge to address the needs of individuals and society. This mission is accomplished through instruction, which communicates the knowledge and values and imparts the skills necessary for individuals to lead responsible, productive, and personally satisfying lives; through research, scholarship, and creative activities, which advance knowledge and enhance the educational process; and through public service, which contributes to the solution of societal problems and enriches the quality of life in the state. In the fulfillment of this mission, the University shall seek an efficient use of available resources to ensure the highest quality in its service to the citizens of the state.

Overview (cont.)

The Carnegie Classification has been used for the purpose of classifying the universities within this report as small, medium, and large.

Classification

The Carnegie Classification has been used for the purpose of classifying the universities within this report as small, medium, and large. For the past four and a half decades, the Carnegie Classification has been the leading framework for recognizing and describing institutional diversity in U.S. higher education. Starting in 1970, the Carnegie Commission on Higher Education developed a classification of colleges and universities to support its program of research and policy analysis. More information on this classification is available at <http://carnegieclassifications.iu.edu>. Based on these classifications, the universities have been classified as follows:

<u>Large</u>	<u>Medium</u>	<u>Small</u>
Appalachian State University	Fayetteville State University	UNC School of the Arts
East Carolina University	North Carolina A&T State University	Elizabeth City State University
North Carolina State University	North Carolina Central University	
UNC-Chapel Hill	UNC Asheville	
UNC Charlotte	UNC Pembroke	
UNC Greensboro	Western Carolina University	
UNC Wilmington	Winston-Salem State University	

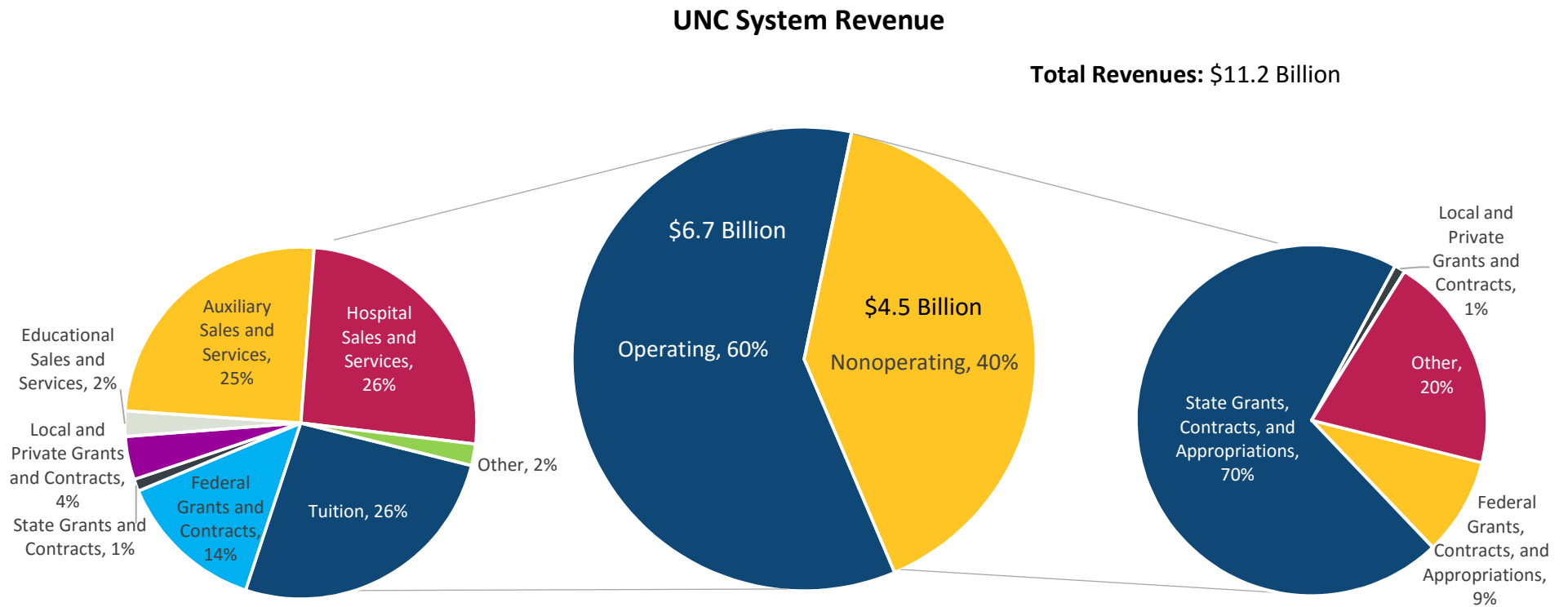
UNC System Office, North Carolina School of Science and Mathematics, and UNC Hospitals at Chapel Hill are not included in the above classifications as these are not considered institutions of higher education. These institutions do factor into the comprehensive data summaries below. However, these three institutions are not included when data is categorized as 'Large', 'Medium', or 'Small'.



Selected Disclosures

Revenues

A summary of all revenues is shown below:



Revenues (cont.)

The University's operating revenues by institution for the year ended June 30, 2017 are presented as follows:

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill	UNC Charlotte
Student Tuition and Fees										
Gross Revenues	\$ 148,623,057	\$ 244,067,700	\$ 8,497,634	\$ 28,458,060	\$ 98,984,289	\$ 62,904,595	\$ 404,929,666	\$ 31,627,695	\$ 535,400,149	\$ 256,888,452
Internal Sales Eliminations	—	—	—	—	—	—	(519,943)	—	—	(115,140)
Less Allowance for Uncollectibles	(71,251)	(279,089)	(126,948)	(79,616)	(575,045)	(473,694)	(489,711)	(109,007)	692,856	(1,461,432)
Less Scholarship Discounts	(26,593,408)	(45,238,935)	(4,027,016)	(10,460,346)	(33,826,829)	(15,475,827)	(96,480,921)	(7,061,362)	(109,237,151)	(48,271,735)
Net Revenues	121,958,398	198,549,676	4,343,670	17,918,098	64,582,415	46,955,074	307,439,091	24,457,326	426,855,854	207,040,145
% of Total UNC Institutions and System Office	6.9%	11.3%	0.2%	1.0%	3.7%	2.7%	17.5%	1.4%	24.3%	11.8%
Patient Service Revenue										
Gross Revenues	—	436,528,133	—	—	—	—	—	—	991,667,090	—
Less Allowance for Uncollectibles	—	(26,100,462)	—	—	—	—	—	—	21,387,977	—
Less Indigent Care and Contractual Adjustments	—	(202,938,713)	—	—	—	—	—	—	(570,595,543)	—
Net Revenues	—	207,488,958	—	—	—	—	—	—	442,459,524	—
% of Total UNC Institutions and System Office		31.9%							68.1%	
Sales and Services										
Gross Revenues	113,125,193	111,743,855	7,947,586	14,928,260	36,060,732	36,676,810	348,718,036	15,104,352	634,261,845	123,021,999
Internal Sales Eliminations	(16,860,746)	(7,099,215)	(571,821)	(118,548)	(1,633,967)	(2,085,570)	(74,852,329)	(508,574)	(195,377,738)	(29,064,579)
Less Allowance for Uncollectibles	(122,502)	(29,136)	(12,564)	(32,741)	(188,538)	—	(198,356)	—	—	(279,295)
Less Scholarship Discounts	(9,716,802)	(10,294,225)	(3,116,656)	(4,881,485)	(9,028,168)	(6,701,116)	(20,205,652)	(2,875,821)	(11,614,150)	(12,821,486)
Net Revenues	86,425,143	94,321,279	4,246,545	9,895,486	25,210,059	27,890,124	253,461,699	11,719,957	427,269,957	80,856,639
% of Total UNC Institutions and System Office	7.1%	7.7%	0.3%	0.8%	2.1%	2.3%	20.8%	1.0%	35.0%	6.6%
Other Revenue										
Gross Revenues	8,617,024	45,042,827	685,672	1,349,455	38,126,079	11,157,030	331,552,201	5,247,020	827,617,332	43,520,622
Internal Sales Eliminations	—	—	—	—	—	—	(4,408,142)	—	—	—
Less Allowance for Uncollectibles	—	—	—	—	—	—	(99,107)	—	—	—
Net Revenues	8,617,024	45,042,827	685,672	1,349,455	38,126,079	11,157,030	327,044,952	5,247,020	827,617,332	43,520,622
% of Total UNC Institutions and System Office	0.6%	3.3%	0.1%	0.1%	2.8%	0.8%	24.2%	0.4%	61.2%	3.2%
Total Net Operating Revenues	\$ 217,000,565	\$ 545,402,740	\$ 9,275,887	\$ 29,163,039	\$ 127,918,553	\$ 86,002,228	\$ 887,945,742	\$ 41,424,303	\$ 2,124,202,667	\$ 331,417,406
% of Total UNC Institutions and System Office	4.4%	11.0%	0.2%	0.6%	2.6%	1.7%	17.8%	0.8%	42.6%	6.7%

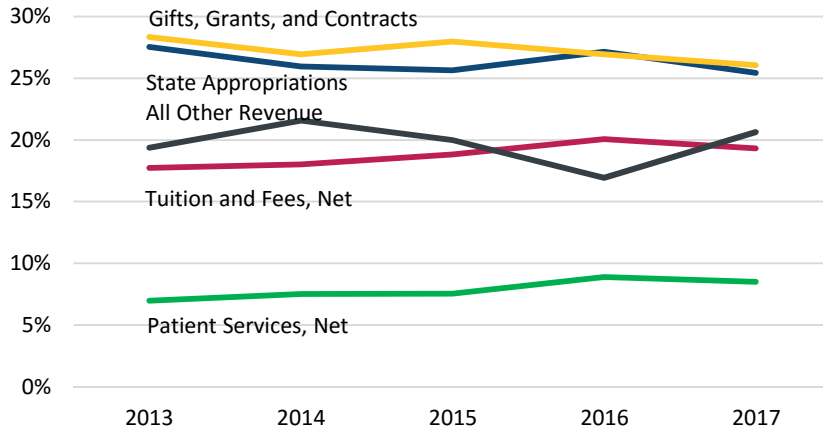
Revenues (cont.)

	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total	UNC Hospitals at Chapel Hill
Student Tuition and Fees										
Gross Revenues	\$ —	\$ 148,524,897	\$ 35,173,387	\$ 129,544,574	\$ 20,218,466	\$ 77,561,275	\$ 31,626,089	\$ 467,356	\$ 2,263,497,341	\$ —
Internal Sales Eliminations	—	—	—	—	—	(5,178)	—	—	(640,261)	—
Less Allowance for Uncollectibles	—	(522,665)	(888,720)	(8,239)	(14,580)	(472,547)	(348,313)	—	(5,228,001)	—
Less Scholarship Discounts	—	(41,123,760)	(9,596,694)	(18,492,924)	(5,151,601)	(16,883,258)	(9,569,748)	—	(497,491,515)	—
Net Revenues	—	106,878,472	24,687,973	111,043,411	15,052,285	60,200,292	21,708,028	467,356	1,760,137,564	—
% of Total UNC Institutions and System Office		6.1%	1.4%	6.3%	0.9%	3.4%	1.2%	0.0%	100.0%	
Patient Service Revenue										
Gross Revenues	—	—	—	—	—	—	—	—	1,428,195,223	4,175,588,344
Less Allowance for Uncollectibles	—	—	—	—	—	—	—	—	(4,712,485)	(98,221,914)
Less Indigent Care and Contractual Adjustments	—	—	—	—	—	—	—	—	(773,534,256)	(2,348,768,789)
Net Revenues	—	—	—	—	—	—	—	—	649,948,482	1,728,597,641
% of Total UNC Institutions and System Office									100.0%	
Sales and Services										
Gross Revenues	8,554,524	70,735,278	25,231,281	67,076,342	10,273,417	57,913,537	26,924,721	200,731	1,708,498,499	—
Internal Sales Eliminations	—	(3,990,730)	(1,133,511)	(13,179,128)	(56,278)	(6,471,530)	(1,273,241)	(87,056)	(354,364,561)	—
Less Allowance for Uncollectibles	—	(225,959)	(57,670)	(107,831)	—	(265,327)	(296,827)	—	(1,816,746)	—
Less Scholarship Discounts	—	(13,038,224)	(5,604,147)	(5,552,906)	(1,913,191)	(8,689,329)	(6,867,907)	—	(132,921,265)	—
Net Revenues	8,554,524	53,480,365	18,435,953	48,236,477	8,303,948	42,487,351	18,486,746	113,675	1,219,395,927	—
% of Total UNC Institutions and System Office	0.7%	4.4%	1.5%	4.0%	0.7%	3.5%	1.5%	0.0%	100.0%	
Other Revenue										
Gross Revenues	32,986	16,476,407	1,030,804	15,636,691	786,649	7,288,695	1,306,982	270,625	1,355,745,101	45,047,813
Internal Sales Eliminations	—	—	—	—	—	—	—	—	(4,408,142)	—
Less Allowance for Uncollectibles	—	—	—	—	—	—	—	—	(99,107)	—
Net Revenues	32,986	16,476,407	1,030,804	15,636,691	786,649	7,288,695	1,306,982	270,625	1,351,237,852	45,047,813
% of Total UNC Institutions and System Office	0.0%	1.2%	0.1%	1.2%	0.1%	0.5%	0.1%	0.0%	100.0%	
Total Net Operating Revenues	\$ 8,587,510	\$ 176,835,244	\$ 44,154,730	\$ 174,916,579	\$ 24,142,882	\$ 109,976,338	\$ 41,501,756	\$ 851,656	\$ 4,980,719,825	\$ 1,773,645,454
% of Total UNC Institutions and System Office	0.2%	3.6%	0.9%	3.5%	0.5%	2.2%	0.8%	0.0%	100.0%	

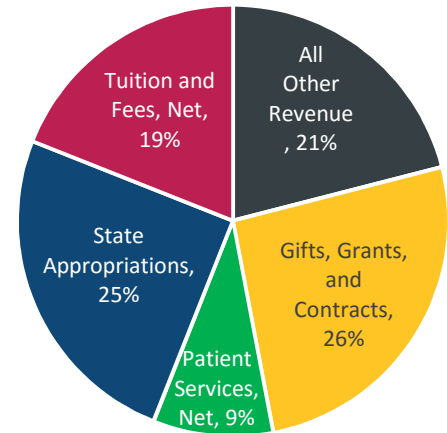
Revenues (cont.)

A summary of all revenues by Carnegie class is shown below:

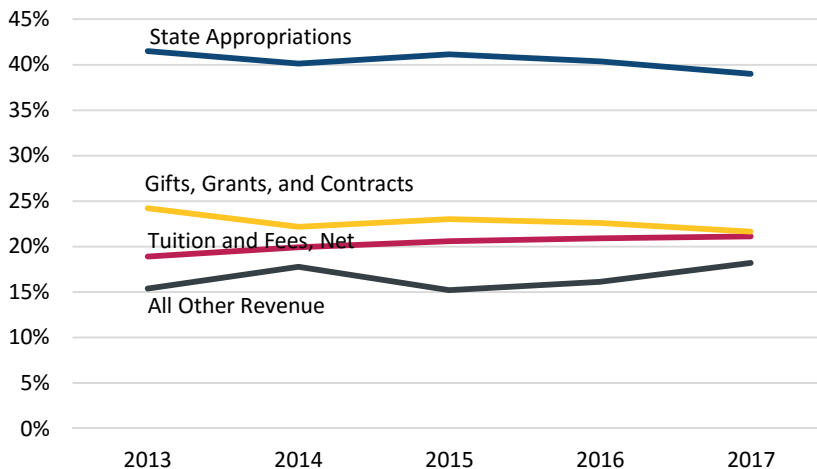
Large Universities



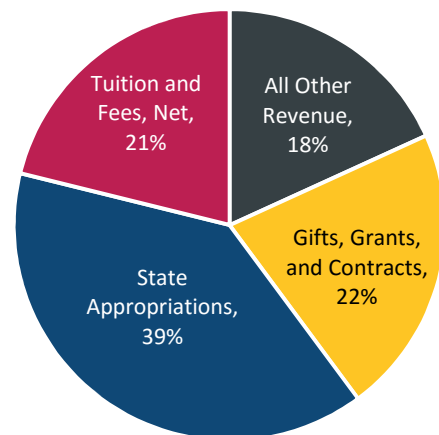
Large Universities 2017



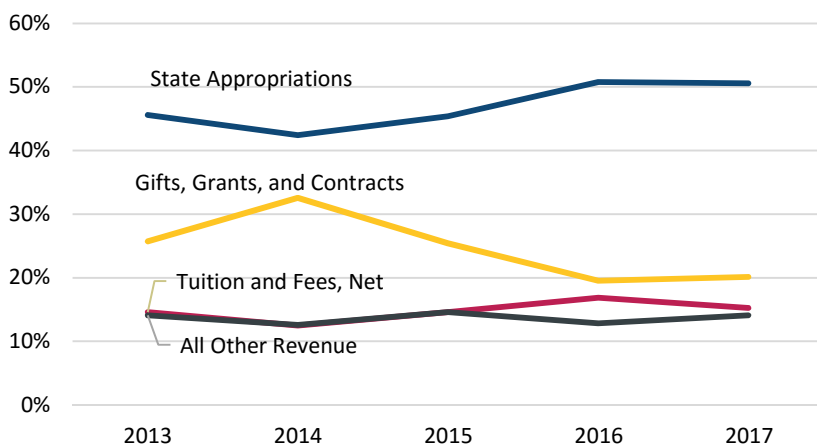
Medium Universities



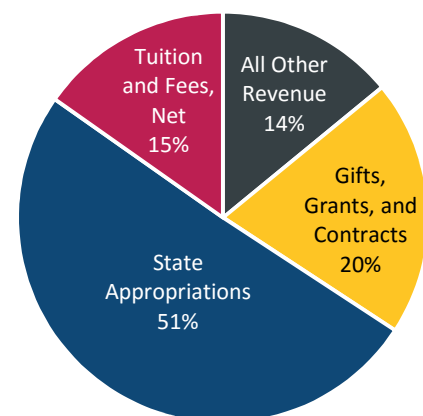
Medium Universities 2017



Small Universities



Small Universities 2017



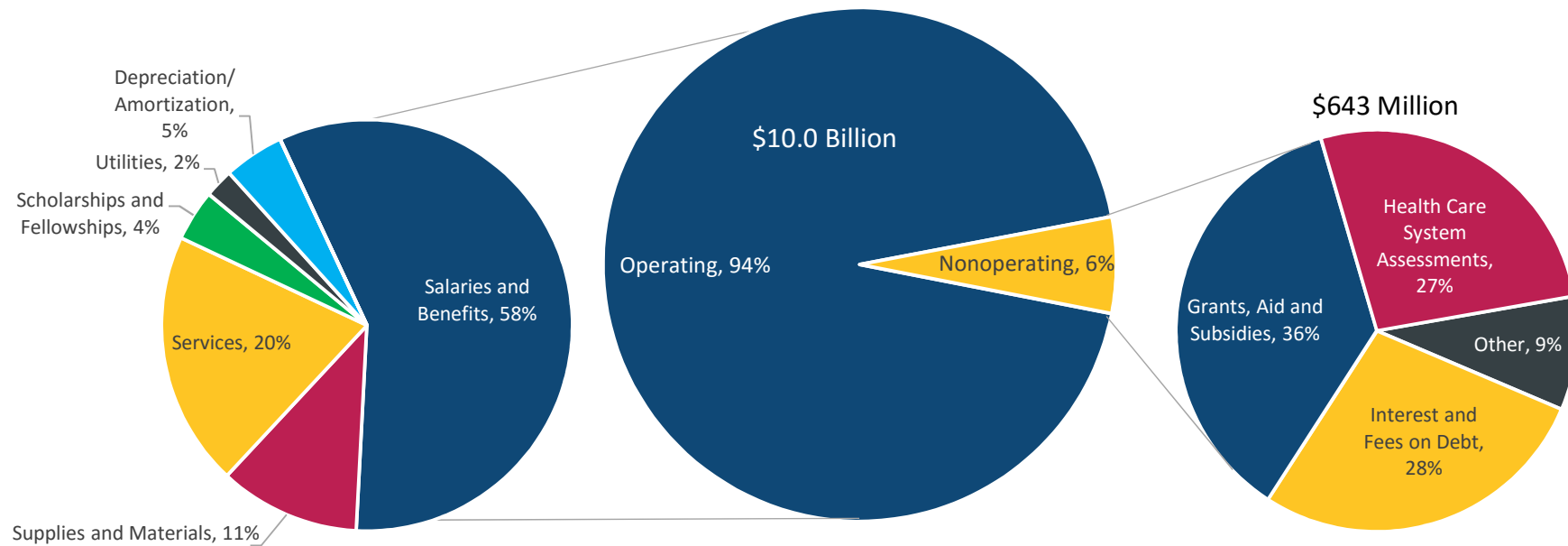
Graphs above do not include UNC System Office, North Carolina School of Science and Mathematics, or UNC Hospitals at Chapel Hill.

Expenses

A summary of all expenses is shown below:

UNC System Expenses

Total Expenses: \$10.6 Billion



Expenses (cont.)

The University's operating expenses by institution for the year ended June 30, 2017 are presented as follows:

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill	UNC Charlotte
Total Operating Expenses										
Salaries and Benefits	\$ 251,762,925	\$ 585,052,751	\$ 31,641,864	\$ 72,657,792	\$ 167,626,173	\$ 121,807,465	\$ 932,152,864	\$ 61,910,895	\$ 1,697,183,026	\$ 368,735,712
Supplies and Materials	44,712,939	93,916,962	3,333,576	5,026,076	13,390,469	15,432,146	125,589,349	4,963,140	191,161,797	39,582,411
Services	45,148,094	116,197,951	11,407,528	18,448,195	51,953,425	32,739,548	263,000,838	13,762,756	782,161,586	94,968,648
Scholarships and Fellowships	22,407,839	39,414,709	2,903,704	10,342,632	18,585,424	13,148,983	43,760,379	5,388,874	123,739,574	39,927,810
Utilities	10,473,494	17,762,975	2,384,928	2,739,149	5,660,333	5,565,397	34,128,182	2,486,201	79,080,897	12,793,110
Depreciation/ Amortization	20,202,800	31,197,553	4,225,303	4,805,415	11,698,729	8,816,791	95,642,657	5,341,277	140,084,652	30,241,637
Total	\$ 394,708,091	\$ 883,542,901	\$ 55,896,903	\$ 114,019,259	\$ 268,914,553	\$ 197,510,330	\$ 1,494,274,269	\$ 93,853,143	\$ 3,013,411,532	\$ 586,249,328
% of Total UNC Institutions and System Office	4.7%	10.5%	0.7%	1.4%	3.2%	2.3%	17.7%	1.1%	35.7%	6.9%
Instruction	\$ 135,266,511	\$ 281,527,221	\$ 12,372,881	\$ 41,141,044	\$ 77,802,429	\$ 70,597,959	\$ 462,078,195	\$ 31,752,759	\$ 721,569,107	\$ 225,971,433
Research	2,899,297	18,440,035	652,725	730,965	30,360,278	6,713,628	277,149,803	2,107,655	595,219,353	21,205,410
Public Service	7,468,001	21,757,182	953,569	3,523,257	7,933,452	910,654	127,909,453	1,668,646	142,315,208	3,026,989
Academic Support	43,245,524	41,053,078	2,872,746	10,507,000	29,878,492	23,195,634	89,549,430	4,590,550	137,946,576	51,021,069
Student Services	10,175,196	13,564,636	7,511,232	4,800,108	7,466,454	5,763,630	31,041,257	5,605,596	45,506,281	22,928,446
Institutional Support	27,042,666	62,819,948	9,158,667	13,275,368	26,013,416	20,497,938	103,723,056	11,825,920	186,342,284	39,190,562
Operations and Maintenance of Plant	22,770,711	65,268,429	6,913,173	9,738,416	18,998,919	15,601,031	82,945,534	9,233,995	193,987,488	53,564,807
Student Financial Aid	18,552,578	39,414,709	2,903,704	10,342,632	9,331,558	14,560,694	46,934,152	5,433,555	123,739,574	39,927,810
Auxiliary Enterprises	52,802,206	308,500,110	8,332,903	15,155,054	49,430,826	30,852,371	177,300,732	16,293,190	726,701,009	99,171,165
Independent Operations	54,282,601	—	—	—	—	—	—	—	—	—
Depreciation/ Amortization	20,202,800	31,197,553	4,225,303	4,805,415	11,698,729	8,816,791	95,642,657	5,341,277	140,084,652	30,241,637
Hospital Services	—	—	—	—	—	—	—	—	—	—
Total	\$ 394,708,091	\$ 883,542,901	\$ 55,896,903	\$ 114,019,259	\$ 268,914,553	\$ 197,510,330	\$ 1,494,274,269	\$ 93,853,143	\$ 3,013,411,532	\$ 586,249,328
% of Total UNC Institutions and System Office	4.7%	10.5%	0.7%	1.4%	3.2%	2.3%	17.7%	1.1%	35.7%	6.9%

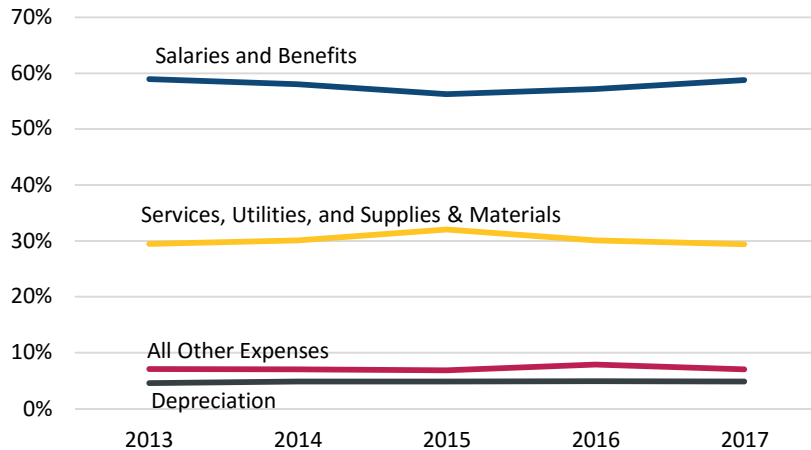
Expenses (cont.)

	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total	UNC Hospitals at Chapel Hill
Total Operating Expenses										
Salaries and Benefits	\$ 41,104,576	\$ 248,319,869	\$ 73,433,663	\$ 183,154,450	\$ 40,597,053	\$ 129,005,631	\$ 82,251,387	\$ 18,609,104	\$ 5,107,007,200	\$ 670,735,215
Supplies and Materials	2,601,348	21,970,726	9,245,668	21,990,924	4,399,379	22,757,814	7,669,658	1,386,191	629,130,573	481,424,032
Services	28,185,826	62,507,081	20,989,842	59,051,369	10,271,181	40,502,102	29,255,231	2,566,239	1,683,117,440	325,005,904
Scholarships and Fellowships	—	29,302,389	9,958,974	17,603,566	1,572,023	11,979,011	12,004,355	—	402,040,246	—
Utilities	1,675,007	8,540,438	3,341,067	7,751,968	2,131,473	4,554,183	2,829,598	997,852	204,896,252	21,291,055
Depreciation/ Amortization	3,051,648	21,001,359	5,973,154	11,248,332	4,130,194	8,610,627	7,142,530	1,259,964	414,674,622	59,651,888
Total	\$ 76,618,405	\$ 391,641,862	\$ 122,942,368	\$ 300,800,609	\$ 63,101,303	\$ 217,409,368	\$ 141,152,759	\$ 24,819,350	\$ 8,440,866,333	\$ 1,558,108,094
% of Total UNC Institutions and System Office	0.9%	4.6%	1.5%	3.6%	0.7%	2.6%	1.7%	0.3%	100.0%	
Instruction	\$ 2,076,969	\$ 145,713,770	\$ 36,563,416	\$ 117,840,655	\$ 17,646,447	\$ 72,683,875	\$ 47,450,879	\$ 10,758,350	\$ 2,510,813,900	\$ —
Research	155,015	17,675,734	527,049	9,621,678	—	1,751,831	1,302,417	—	986,512,873	—
Public Service	32,237,820	8,328,561	1,808,242	4,564,684	1,167,488	2,858,374	899,613	—	369,331,193	—
Academic Support	—	42,095,648	12,086,416	22,434,389	5,907,705	15,680,178	8,569,260	315,122	540,948,817	—
Student Services	213,449	21,794,703	7,096,279	13,326,913	1,840,240	8,454,490	5,013,463	4,907,359	217,009,732	—
Institutional Support	38,556,876	27,404,331	14,009,226	29,905,871	12,411,825	25,158,226	17,926,465	4,595,801	669,858,446	—
Operations and Maintenance of Plant	326,628	32,748,780	11,052,062	25,943,523	9,319,510	20,160,778	15,605,755	2,982,754	597,162,293	—
Student Financial Aid	—	27,225,923	9,765,201	16,399,782	1,572,023	12,113,948	10,644,872	—	388,862,715	—
Auxiliary Enterprises	—	47,653,053	24,061,323	49,514,782	9,105,871	28,570,250	26,597,505	—	1,670,042,350	—
Independent Operations	—	—	—	—	—	21,366,791	—	—	75,649,392	—
Depreciation/ Amortization	3,051,648	21,001,359	5,973,154	11,248,332	4,130,194	8,610,627	7,142,530	1,259,964	414,674,622	59,651,888
Hospital Services	—	—	—	—	—	—	—	—	—	1,498,456,206
Total	\$ 76,618,405	\$ 391,641,862	\$ 122,942,368	\$ 300,800,609	\$ 63,101,303	\$ 217,409,368	\$ 141,152,759	\$ 24,819,350	\$ 8,440,866,333	\$ 1,558,108,094
% of Total UNC Institutions and System Office	0.9%	4.6%	1.5%	3.6%	0.7%	2.6%	1.7%	0.3%	100.0%	

Expenses (cont.)

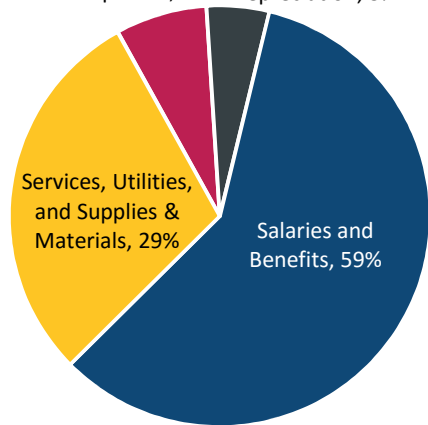
A summary of all expenses by Carnegie class is shown below:

Large Universities

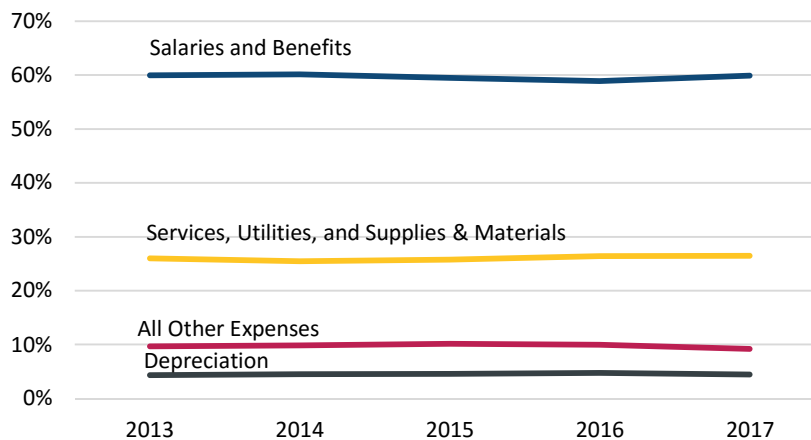


Large Universities 2017

All Other Expenses, 7% Depreciation, 5%

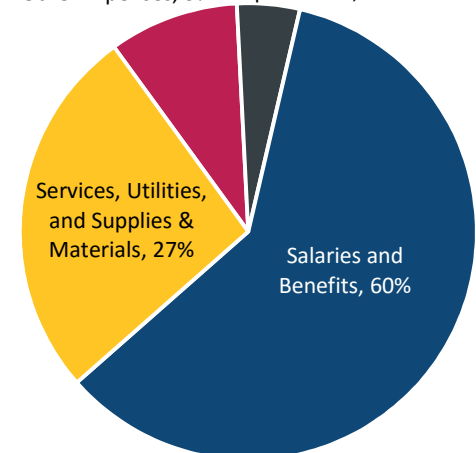


Medium Universities

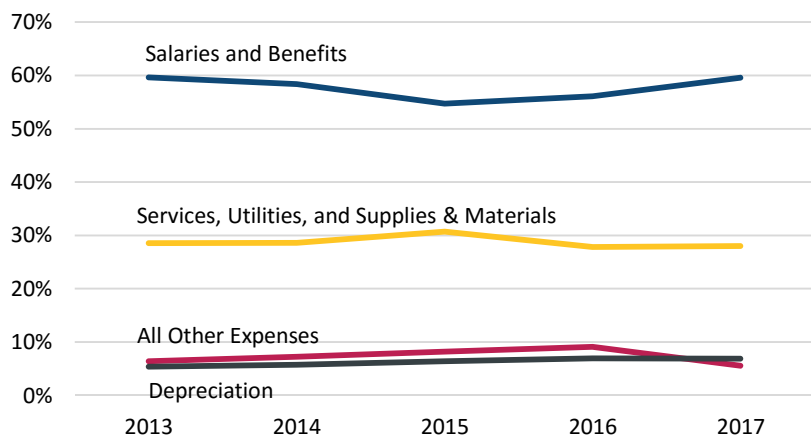


Medium Universities 2017

All Other Expenses, 9% Depreciation, 4%

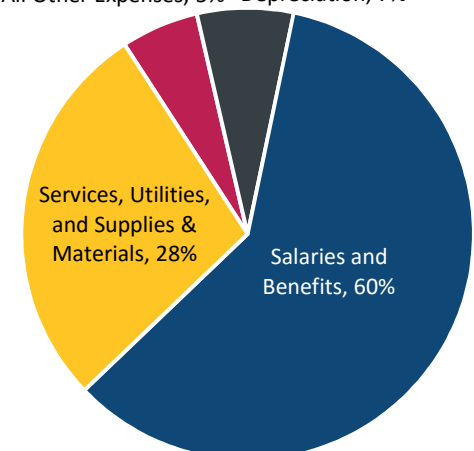


Small Universities



Small Universities 2017

All Other Expenses, 5% Depreciation, 7%



Graphs above do not include UNC System Office, North Carolina School of Science and Mathematics, or UNC Hospitals at Chapel Hill.

Long-Term Liabilities

Changes in long-term liabilities for the UNC System including UNC System Office, North Carolina School of Science and Mathematics, and UNC Hospitals at Chapel Hill for the year ended June 30, 2017 are presented as follows:

	Balance June 30, 2016 (As Restated)	Additions	Reductions	Balance June 30, 2017	Current Portion
Revenue Bonds Payable	\$ 3,910,286,635	\$ 290,647,952	\$ 172,485,894	\$ 4,028,448,693	\$ 211,223,413
Special Indebtedness	221,330,000	72,710,000	77,965,000	216,075,000	4,800,000
Limited Obligation Bonds Payable	19,940,000	—	385,000	19,555,000	430,000
Certificates of Participation	5,105,000	—	299,000	4,806,000	308,000
Plus: Unamortized Premium	136,994,195	15,542,108	8,972,180	143,564,123	—
Less: Unamortized Discount	(4,447,634)	—	(352,933)	(4,094,701)	—
Less: Accretion of Discount on Capital Appreciation Bonds	(6,358,552)	—	(2,011,900)	(4,346,652)	—
Total Revenue Bonds and Special Indebtedness, Net	<u>4,282,849,644</u>	<u>378,900,060</u>	<u>257,742,241</u>	<u>4,404,007,463</u>	<u>216,761,413</u>
Net Pension Liability	532,357,406	792,836,595	—	1,325,194,001	—
Notes Payable	261,340,028	97,691,704	81,274,730	277,757,002	16,033,930
Line of Credit	3,900,000	3,914,347	3,900,000	3,914,347	3,914,347
Capital Leases Payable	65,353,189	11,629,814	12,264,541	64,718,462	9,748,847
Bond Anticipation Notes	2,500,000	11,750,000	—	14,250,000	—
Compensated Absences	351,646,148	317,987,442	282,716,847	386,916,743	38,742,337
Annuity and Life Income Payable	22,295,298	406,990	2,083,456	20,618,832	1,325,803
Other Long-Term License Payable	6,985,753	510,858	4,109,301	3,387,310	2,876,453
Pollution Remediation Payable	<u>10,000</u>	<u>4,802,478</u>	<u>—</u>	<u>4,812,478</u>	<u>101,972</u>
Total Long-Term Liabilities	<u>\$ 5,529,237,466</u>	<u>\$ 1,620,430,288</u>	<u>\$ 644,091,116</u>	<u>\$6,505,576,638</u>	<u>\$ 289,505,102</u>

Long-Term Liabilities (cont.)

The annual requirements for the UNC System including UNC System Office, North Carolina School of Science and Mathematics, and UNC Hospitals at Chapel Hill to pay principal and interest on the long-term obligations at June 30, 2017 are presented as follows:

Annual Requirements

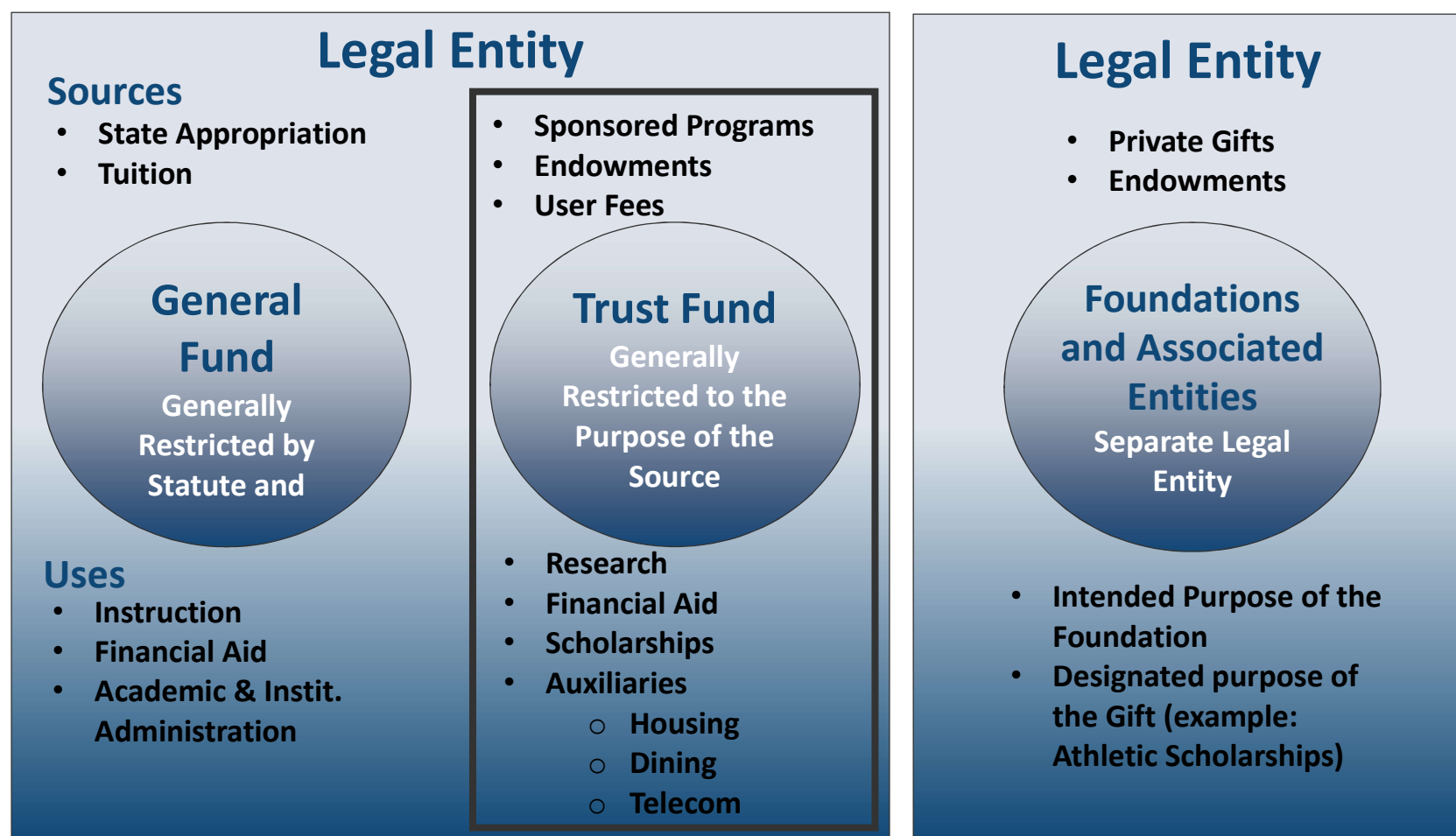
Fiscal Year	Revenue Bonds Payable			Special Indebtedness	
	Principal	Interest	Interest Rate	Principal	Interest
			Swaps, Net		
2018	145,748,994	146,281,235	10,692,679	4,800,000	8,991,018
2019	317,726,588	141,548,615	11,757,347	5,175,000	8,859,605
2020	169,346,256	135,571,656	7,020,724	5,515,000	8,680,307
2021	156,760,259	130,794,651	5,294,775	7,760,000	8,479,242
2022	142,840,303	126,006,622	4,155,413	8,460,000	8,162,615
2023-2027	758,371,595	554,183,240	10,693,256	49,320,000	35,098,434
2028-2032	797,940,698	410,674,417	880,548	60,460,000	23,590,258
2033-2037	913,954,000	229,713,709	—	59,945,000	10,543,207
2038-2042	411,165,000	93,053,499	—	14,640,000	1,514,499
2043-2047	214,595,000	17,522,516	—	—	—
Total Requirements	<u>\$4,028,448,693</u>	<u>\$1,985,350,160</u>	<u>\$ 50,494,742</u>	<u>\$ 216,075,000</u>	<u>\$ 113,919,185</u>

Annual Requirements

Fiscal Year	Certificates of Participation		Limited Obligation Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	308,000	143,699	430,000	912,694	16,033,929	8,240,269
2019	317,000	134,490	440,000	899,794	62,271,589	7,567,270
2020	327,000	125,012	455,000	885,494	16,722,990	6,926,869
2021	336,000	115,235	470,000	870,706	16,852,169	6,409,907
2022	346,000	105,188	485,000	854,256	17,882,538	5,874,288
2023-2027	1,894,000	364,242	2,740,000	3,967,356	85,169,308	21,024,872
2028-2032	1,278,000	77,202	3,395,000	3,306,125	33,811,565	8,542,706
2033-2037	—	—	4,335,000	2,372,500	29,012,914	4,513,153
2038-2042	—	—	5,530,000	1,175,250	—	—
2043-2047	—	—	1,275,000	63,750	—	—
Total Requirements	<u>\$ 4,806,000</u>	<u>\$ 1,065,068</u>	<u>\$ 19,555,000</u>	<u>\$ 15,307,925</u>	<u>\$ 277,757,002</u>	<u>\$ 69,099,334</u>

General Fund, Institutional Trust Fund, and Other Sources and Uses of Funds

Each UNC institution is comprised of multiple legally-separate entities, each with its own sources of funds. A summary of a standard UNC institution is shown below, including the primary sources and uses of funds:



General Fund: Sources and Uses of Funds

The following is a summary of the UNC general fund actual expenditures and revenues (including aid to private institutions) for fiscal years 2012-13 to 2016-17.

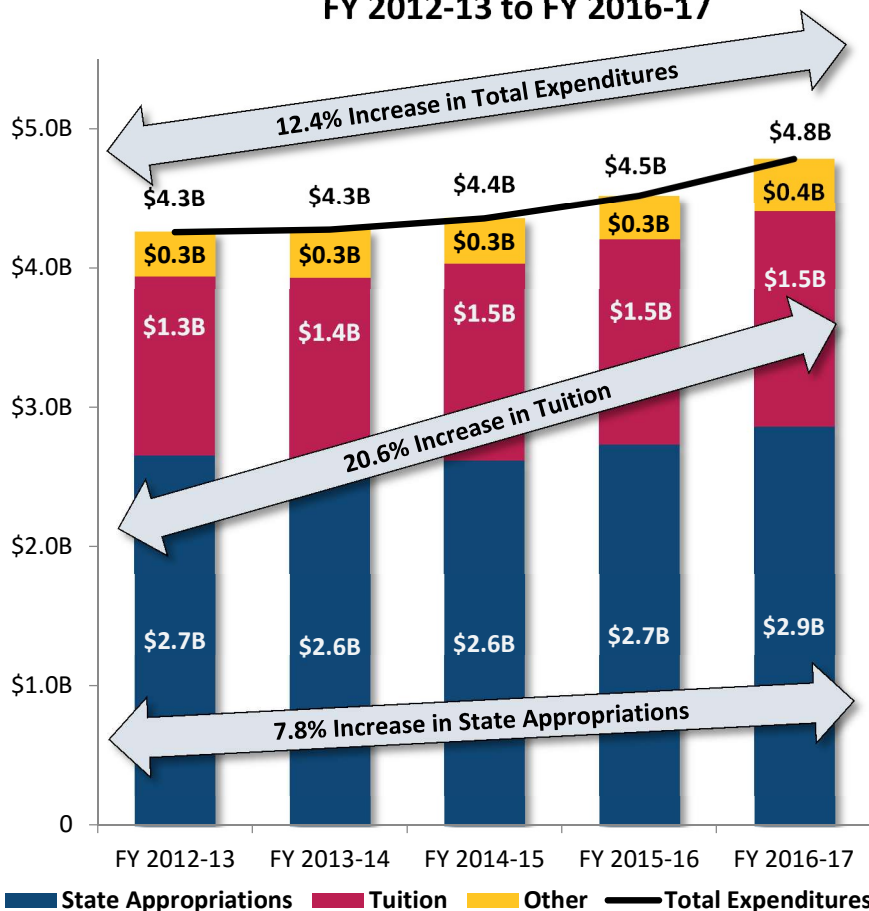
Expenditures	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	Five-Year Change	
Personnel	\$2,788,314,092	\$2,827,568,756	\$2,878,848,515	\$2,959,873,235	\$3,128,022,439	\$339,708,347	12%
General Operating	581,437,448	576,275,258	598,163,144	592,442,478	616,348,483	34,911,036	6%
Equip. and Capital	165,343,696	158,167,458	163,840,301	161,046,035	164,871,837	(471,860)	0%
Miscellaneous	33,358,658	31,759,525	30,383,908	36,030,330	40,239,219	6,880,561	21%
Education Awards	530,359,820	533,816,319	545,435,067	451,404,900	474,442,482	(55,917,338)	-11%
Intragov. Transfers	87,124,554	88,060,326	87,851,395	219,754,338	253,034,068	165,909,514	190%
Carry Forward	70,895,964	59,499,252	50,447,507	100,987,491	108,725,526	37,829,561	53%
Total Expenditures	\$4,256,834,231	\$4,275,146,894	\$4,354,969,838	\$4,521,538,807	\$4,785,684,053	\$528,849,822	12%

Revenues

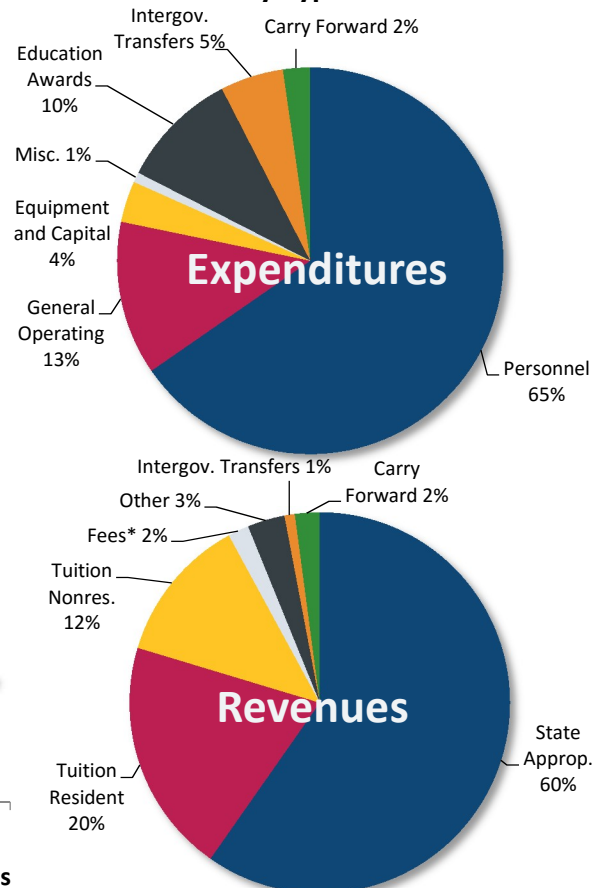
State Appropriation	\$2,651,847,350	\$2,572,757,241	\$2,617,666,491	\$2,733,406,486	\$2,858,903,446	\$207,056,096	8%
Tuition Resident	798,514,731	851,395,677	854,626,001	899,087,745	953,086,494	154,571,763	19%
Tuition Nonresident	483,899,478	502,235,373	557,499,918	570,260,049	593,974,857	110,075,379	23%
Fees*	41,948,877	58,922,032	70,656,325	80,818,344	85,225,146	43,276,269	103%
Other	177,161,232	144,522,315	147,638,308	143,467,783	151,879,623	(25,281,609)	-14%
Intragov. Transfers	52,772,550	71,807,700	43,889,208	42,778,877	41,963,708	(10,808,842)	-20%
Carry Forward	50,690,012	73,506,556	62,993,588	51,719,523	100,650,778	49,960,766	99%
Total Revenues	\$4,256,834,231	\$4,275,146,894	\$4,354,969,838	\$4,521,538,807	\$4,785,684,053	\$528,849,822	12%

* S.L. 2012-142, Section 9.9 permitted all student fees to be budgeted in Institutional Trust Funds, rather than the General Fund.

General Fund Expenditures and Revenues FY 2012-13 to FY 2016-17



General Fund Expenditures and Revenues by Type FY 2016-17

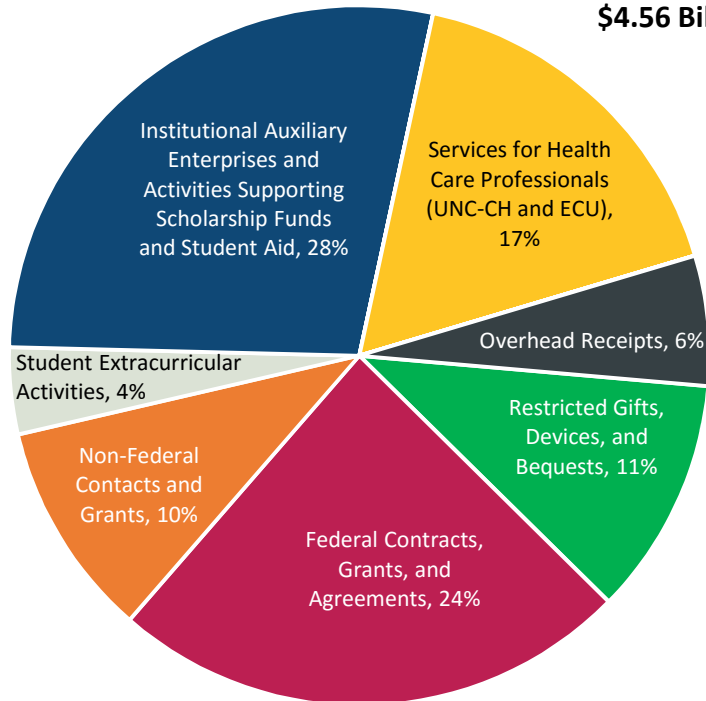


Trust Fund: Sources and Uses of Funds

Institutional trust funds (see General Statute §116-36.1) sources and uses are as follows:

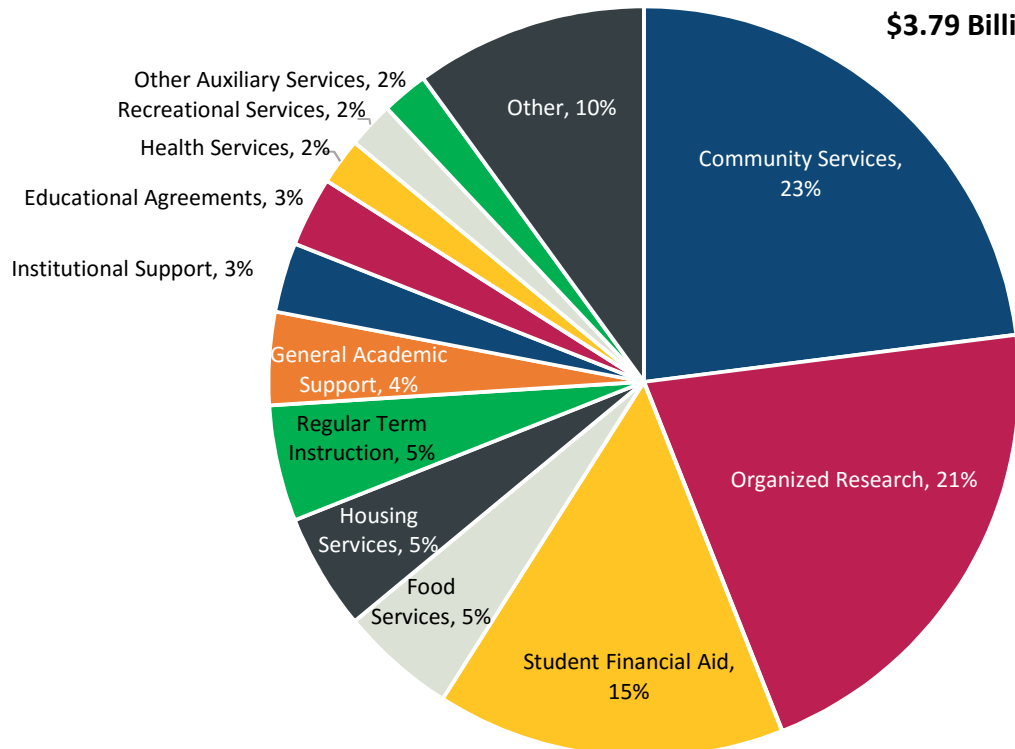
UNC ITF Receipts

\$4.56 Billion



UNC ITF Disbursements

\$3.79 Billion

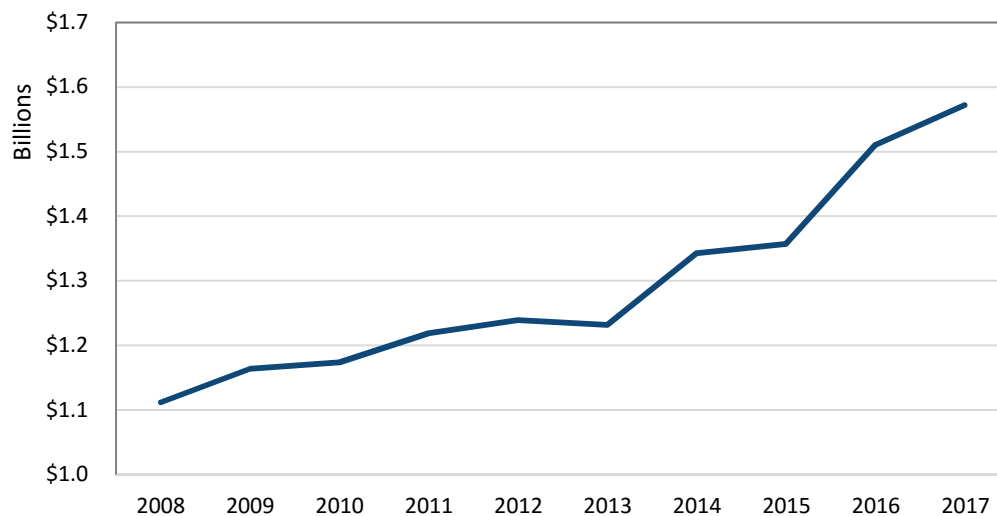


UNC Hospitals at Chapel Hill is not reflected in the above graphs.

F&A Receipts and Expenditures

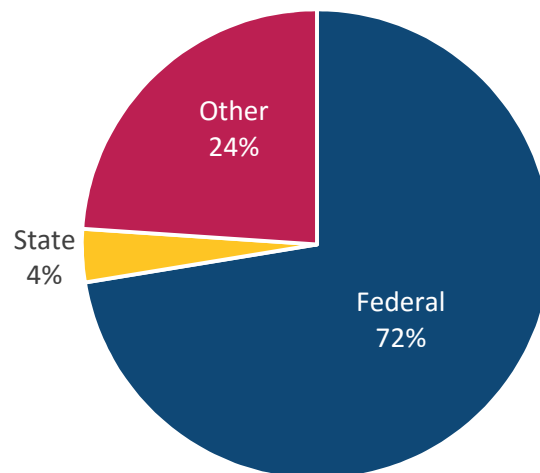
Facilities and Administrative (F&A) receipts are the overhead receipts reported in institutional trust funds. Research and other sponsored program awards to the 16 UNC institutions, the North Carolina School of Science and Mathematics, and the UNC System Office totaled nearly \$1.57 billion for FY 2016-17.

Research and Other Sponsored Program Awards



In 2016-17, the UNC System earned a total of \$254.5 million in facilities and administrative receipts.

F&A Receipts by Source

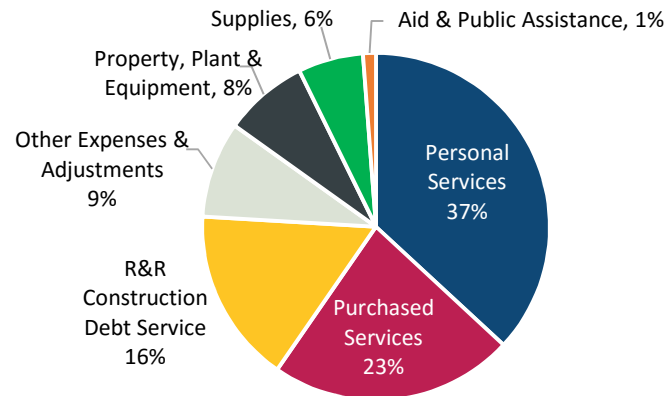


Consistent with their research missions, the two major research universities – NC State (20.5%) and UNC-Chapel Hill (67.7%) – accounted for 88.2 percent of the University-wide total.

F&A Receipts and Expenditures (cont.)

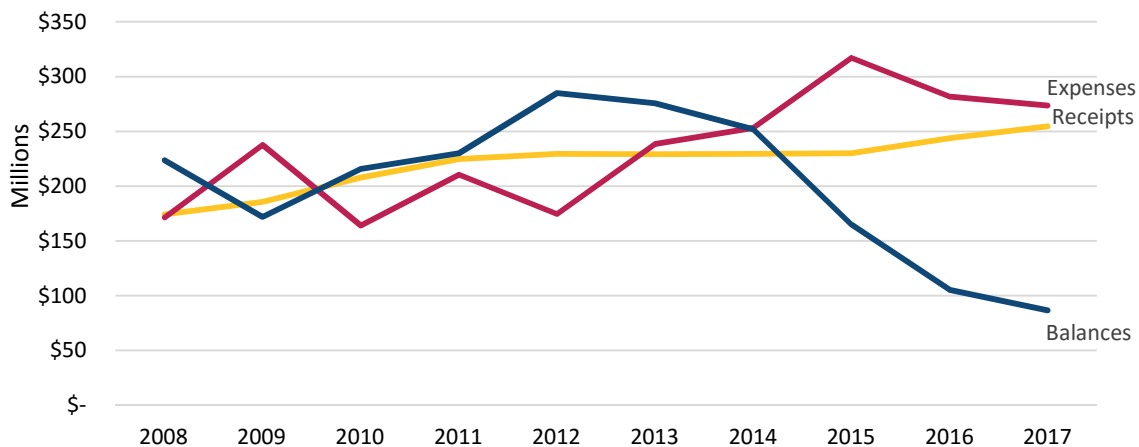
In 2016-17, the UNC System expended a total of \$273.7 million of these facilities and administrative receipts.

F&A Expenditures by Category

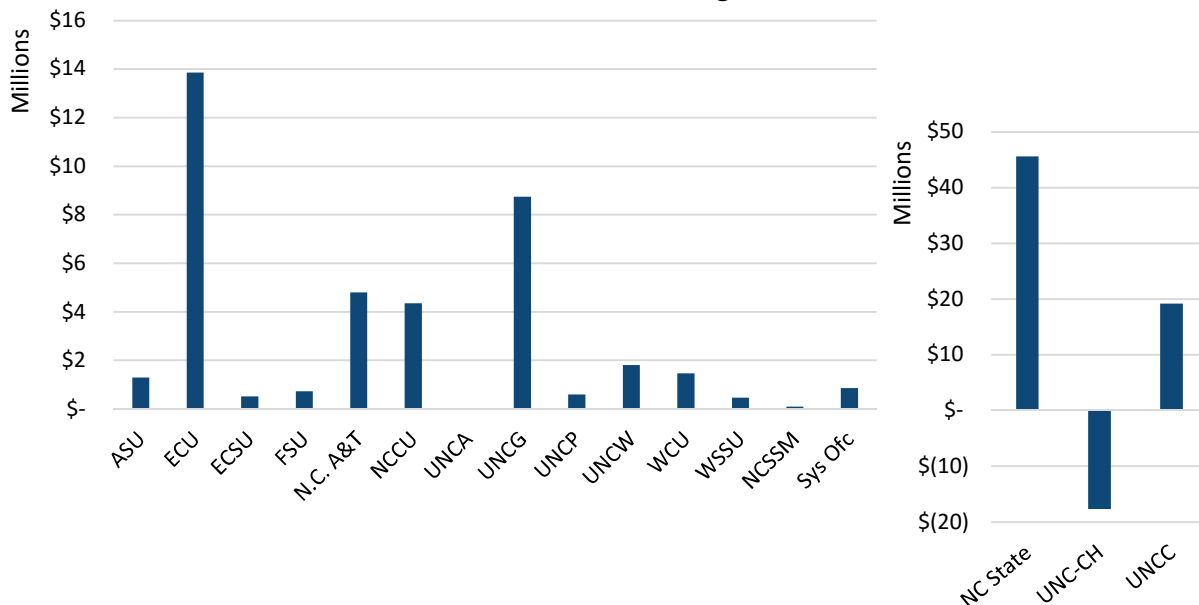


F&A receipts have steadily increased over the last ten years. F&A balances have decreased in recent years.

UNC System F&A Receipts, Expenses, and Balances

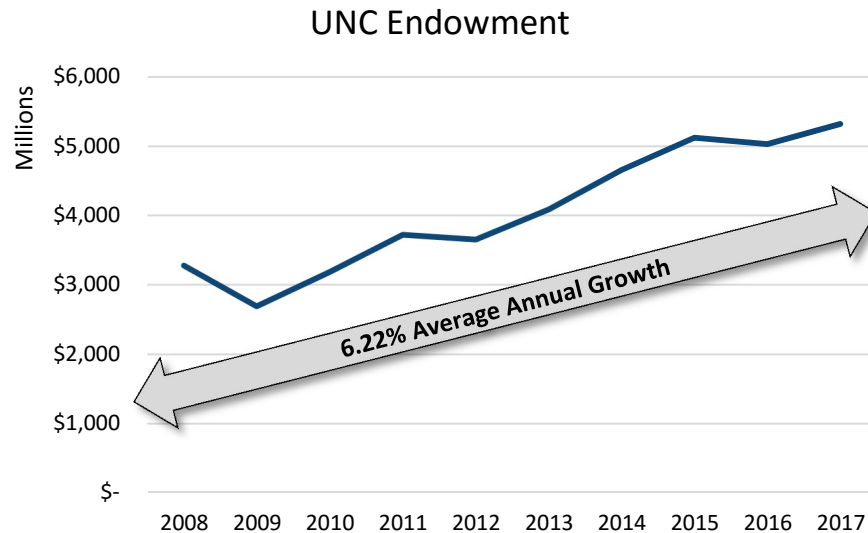


FY 2016-17 F&A Ending Balance

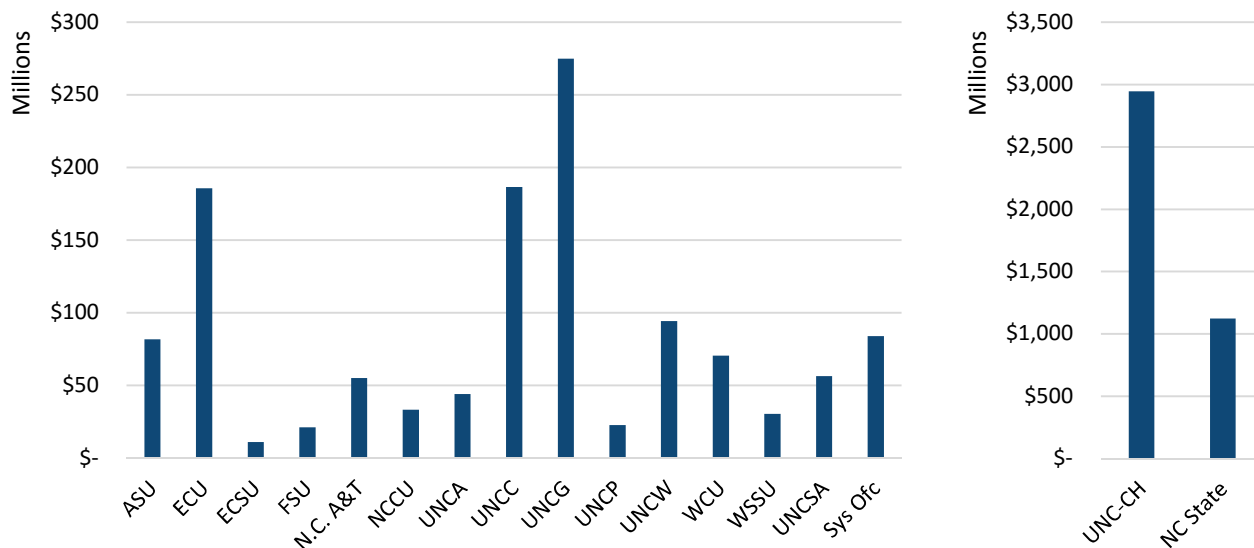


UNC System Endowment Funds

Endowment funds may be accounted for in institutional trust funds, foundations, or other associated entities based on the nature of the gift and the institutional control over the foundation. Endowment funds within the UNC System have increased 62.38% in the last 10 years.



2017 Endowment Balances by University



North Carolina School of Science and Mathematics and UNC Hospitals at Chapel Hill are excluded from the above graphs as they do not submit IPEDS data.



**Consolidated and Side-By-Side Financial Statements
with Reconciliation**

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Assets		
Current Assets:		
Cash and cash equivalents	\$ 1,478,890,965	\$ 155,188,019
Restricted cash and cash equivalents	740,282,803	2,206,726
Short-term investments	361,930,749	—
Restricted short-term investments	137,744,171	—
Receivables, net	482,313,632	219,379,364
Due from State of NC component units	32,672,639	111,526,009
Due from University component units	7,378,502	—
Due from primary government	10,566,486	5,872,241
Estimated third party settlements	—	10,586,348
Notes receivable, net	16,556,254	5,969,428
Inventories	55,238,092	54,151,683
Prepaid items	13,179,646	81,273,971
Other assets	15,308,181	—
<i>Total Current Assets</i>	<i>3,352,062,120</i>	<i>646,153,789</i>
Noncurrent Assets:		
Restricted cash and cash equivalents	635,185,819	94,977,040
Receivables, net	43,894,904	879,573
Endowment investments	3,106,013,417	—
Restricted investments	2,034,206,446	283,799,567
Other investments	292,572,393	—
Investments designated for capital projects	—	428,086,238
Investment in joint venture	13,128,050	—
Cash surrender value of life insurance policies	56,693	—
Investments in affiliates	—	15,768,668
Restricted due from University component units	2,000,000	—
Restricted due from primary government	334,009	—
Advanced deposits with LITF	—	9,720,145
Start-up cost, net	—	369,561
Notes receivable, net	89,553,912	39,123,718
Prepaid items	942,868	—
Capital assets, nondepreciable	1,028,652,123	85,598,711
Capital assets, depreciable	10,442,054,610	660,187,236
<i>Total Noncurrent Assets</i>	<i>17,688,595,244</i>	<i>1,618,510,457</i>
Total Assets	21,040,657,364	2,264,664,246
Deferred Outflows of Resources		
Accumulated decrease in fair value of hedging derivatives	114,305,342	12,558,232
Deferred loss on refunding	51,069,606	8,173,492
Deferred outflows related to pensions	688,315,258	219,597,646
Total Deferred Outflows of Resources	853,690,206	240,329,370

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	327,069,104	88,625,483
Accrued salaries and benefits	—	54,735,996
Estimated third party settlements	—	85,117,914
Due to State of NC component units	13,905,482	16,619,046
Due to primary government	8,749,029	9,660,561
Due to patients or third parties	—	9,935,041
Obligations under reverse repurchase agreements	2,461,896	—
Short-term debt	68,145,000	—
Interest payable	31,407,442	2,772,224
Deposits payable	11,299,584	—
Funds held for others	7,311,521	—
Unearned revenue	242,611,461	—
Long-term liabilities - current portion	253,146,873	36,358,229
<i>Total Current Liabilities</i>	<i>966,107,392</i>	<i>303,824,494</i>
Noncurrent Liabilities:		
Accounts payable and accrued liabilities	3,927,391	—
Estimated third party settlements	—	75,354,431
Hedging derivatives liability	114,305,342	12,558,232
Unearned revenue	84,831,561	—
Deposits payable	4,018,661	—
Funds held for others	57,626,181	—
Funds held in trust for pool participants	2,097,369,429	—
U.S. government grants refundable	79,571,587	—
Long-term liabilities - noncurrent portion	5,529,793,922	686,277,614
<i>Total Noncurrent Liabilities</i>	<i>7,971,444,074</i>	<i>774,190,277</i>
Total Liabilities	8,937,551,466	1,078,014,771
Deferred Inflows of Resources		
Deferred gain on refunding	740,162	—
Deferred inflows related to pensions	54,046,118	19,929,791
Deferred revenue, split interest trust agreements	155,715	—
Deferred inflows under service concession arrangement	23,168,560	—
Deferred inflows related to endowments	1,000,000	—
Deferred inflows related to capital leases	2,961,028	—
Deferred state aid	34,840,000	—
Total Deferred Inflows of Resources	116,911,583	19,929,791

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Net Position		
Net investment in capital assets	7,232,232,347	556,614,501
Nonexpendable:		
Scholarships and fellowships	407,321,508	—
Research	23,340,547	—
Endowed professorships	689,417,245	—
Departmental uses	228,376,757	—
Loans	40,115,666	—
Art	1,521,317	—
Other	72,562,951	—
Expendable:		
Scholarships and fellowships	449,263,755	—
Research	101,083,999	—
Endowed professorships	659,459,150	—
Departmental uses	598,696,539	—
Loans	3,808,079	—
Capital projects	285,651,293	—
Debt service	209,139,261	—
Art	1,035,453	—
Other	75,210,112	—
Restricted for specific programs	798,763	—
Operations and maintenance	1,704,799	—
Maintenance reserve fund	—	283,799,567
Liability Insurance Trust Fund	—	9,720,145
Trust fund donations	—	611,177
Unrestricted net position	1,759,144,980	556,303,664
Total Net Position	\$ 12,839,884,521	\$ 1,407,049,054

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Operating Revenues		
Student tuition & fees, net	\$ 1,760,152,094	\$ —
Patient services, net	649,948,482	1,728,597,641
Federal appropriations	30,494,302	—
Federal grants and contracts	915,267,693	—
State and local grants and contracts	76,936,057	—
Nongovernmental grants and contracts	262,197,184	—
Sales and services, net	1,219,046,206	—
Interest earnings on loans	2,216,145	—
Other operating revenues, net	60,452,941	45,047,813
<i>Total Operating Revenues</i>	<u>4,976,711,104</u>	<u>1,773,645,454</u>
Operating Expenses		
Salaries and benefits	5,107,034,107	670,735,215
Supplies and materials	629,130,573	70,618,861
Medical and surgical supplies	—	410,805,171
Services	1,682,527,356	321,946,285
Scholarships and fellowships	402,567,036	—
Medical malpractice cost	—	3,059,619
Utilities	204,896,252	21,291,055
Depreciation/ amortization	414,674,622	59,651,888
<i>Total Operating Expenses</i>	<u>8,440,829,946</u>	<u>1,558,108,094</u>
Operating Loss	<u>(3,464,118,842)</u>	<u>215,537,360</u>
Nonoperating Revenues/ (Expenses)		
State appropriations	2,821,812,117	—
Noncapital grants - student financial aid	430,775,637	—
Noncapital grants	216,861,410	—
Noncapital gifts, net	332,785,281	1,257,152
Interest and fees on debt	(166,399,391)	(11,955,531)
Investment income	413,555,214	62,823,790
Grants, aid and subsidies	(233,800,341)	—
Federal interest subsidy on debt	7,530,020	698,776
Loss on disposal of capital assets	—	(1,421,246)
Other nonoperating revenues	183,942	254,363
Other nonoperating expenses	(57,591,364)	—
<i>Total Nonoperating Revenues/ (Expenses)</i>	<u>3,765,712,525</u>	<u>51,657,304</u>
Income/(Loss) Before Transfers and Other Items	<u>301,593,683</u>	<u>267,194,664</u>
Capital appropriations	55,978,054	—
Capital grants	17,015,238	—
Capital gifts	40,095,019	—
Additions to endowments	45,522,908	—
Health care system assessments	—	(171,862,223)
Change in Net Position	<u>460,204,902</u>	<u>95,332,441</u>
Net position - July 1, as restated	<u>12,379,679,619</u>	<u>1,311,716,613</u>
Net Position - June 30	<u>\$ 12,839,884,521</u>	<u>\$ 1,407,049,054</u>

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Cash Flows From Operating Activities		
Received from customers	\$ 5,009,437,234	\$ 1,733,954,637
Payments to employees and fringe benefits	(5,047,320,120)	(635,086,847)
Payments to vendors and suppliers	(2,482,785,507)	(837,968,423)
Payments for scholarships and fellowships	(401,930,049)	—
Loans issued	(14,950,912)	—
Collection of loans	15,209,094	—
Interest earned on loans	2,364,998	—
Student deposits received	8,515,198	—
Student deposits returned	(8,295,768)	—
Payments for medical malpractice	—	(132,598)
Other receipts	33,823,700	(41,454,514)
Other payments	(2,071,406)	—
Net Cash Provided (Used) by Operating Activities	(2,888,003,538)	219,312,255
Cash Flows From Noncapital Financing Activities		
State appropriations	2,821,812,117	—
State aid received	34,840,000	—
Noncapital grants - student financial aid	431,966,100	—
Noncapital grants	260,964,178	—
Noncapital gifts	281,975,042	1,257,152
Additions to endowments	53,359,595	—
William D. Ford Direct Lending receipts	1,246,075,182	—
William D. Ford Direct Lending disbursements	(1,243,434,313)	—
Related activity agency receipts	1,915,692,954	—
Related activity agency disbursements	(1,328,956,584)	—
External participation in investment fund receipts	43,081,477	—
External participation in investment fund disbursements	(16,963,888)	—
Proceeds from Hofmann Forest timber deed	128	—
Grants, aid, and subsidies	(295,363,402)	—
Health care system assessments	—	(176,695,538)
Principal paid on revenue bonds	—	(1,360,000)
Interest and fees paid on revenue bonds	—	(582,144)
Other receipts	30,853,223	—
Other payments	(1,946,531)	—
Net Cash Provided (Used) by Noncapital Financing Activities	4,233,955,278	(177,380,530)
Cash Flows from Capital Financing and Related Financing Activities		
Proceeds from capital debt	585,774,760	—
Proceeds from capital revenue bonds	—	100,873,663
Capital appropriations	55,978,054	1,275,488
Capital grants	15,162,224	—
Capital gifts	5,209,366	—
Proceeds from sale of capital assets	3,013,176	19,104,873
Acquisition and construction of capital assets	(588,319,972)	(36,096,730)
Principal paid on capital debt and leases	(533,048,086)	(16,640,159)
Interest and fees paid on capital debt and leases	(179,717,695)	(7,958,082)
Payment toward future property purchase closing	(2,000,000)	—
Federal interest subsidy on debt received	7,533,957	698,776
Other payments	(882,490)	—
Net Cash Provided (Used) by Capital Financing and Related Financing Activities	(631,296,706)	61,257,829

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	4,384,157,803	11,239,404
Investment income	145,308,746	1,411,453
Purchase of investments and related fees	(4,981,221,814)	(180,000,000)
Change in obligations under reverse repurchase agreements	(12,793,104)	—
Net Cash Used by Investing Activities	(464,548,369)	(167,349,143)
Net Increase (Decrease) in Cash and Cash Equivalents	250,106,665	(64,159,589)
Cash and cash equivalents - July 1	2,604,252,922	316,531,374
Cash and Cash Equivalents - June 30	\$ 2,854,359,587	\$ 252,371,785

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Reconciliation of Net Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating income (loss)	\$ (3,460,146,508)	\$ 215,537,360
Adjustments to reconcile operating income (loss) to provided (used) by operating activities:		
Depreciation/ amortization expense	414,674,622	59,651,888
Allowance, write-offs, and amortizations	13,037,694	—
Amortization of Service Concession Arrangement	(605,163)	—
Nonoperating other income	1,929,880	—
Other income	129,061	—
Nonoperating other expenses	(379,920)	—
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Receivables, net	(50,529,960)	27,352,754
Due from primary government	(645,283)	729,591
Due from University component units	(27,324)	—
Due from State of NC component units	1,999,961	(10,976,778)
Estimated third party settlements	—	(207,377)
Inventories	3,660,163	(8,238,346)
Notes receivable, net	2,181,090	—
Prepaid items	(754,498)	(26,403,801)
Other assets	(4,228,718)	—
Advanced deposits with Liability Insurance Trust Fund	—	(3,434,249)
Deferred outflows for pensions	(529,092,316)	(166,094,225)
Accounts payable and accrued liabilities	16,296,360	(4,220,179)
Accrued salaries and benefits	—	6,677,948
Due to primary government	831,589	(3,169,716)
Due to State of NC component units	(68,204)	(41,119,437)
Due to Federal agencies	50,317	—
Due to patients or third parties	—	(5,799,611)
Funds held for others	(1,190,061)	—
Unearned revenue	111,901,229	—
Government grants refundable	1,091,746	—
Compensated absences	33,930,855	1,339,743
Net pension liability	600,157,650	192,678,945
Notes payable	1,009,323	—
Deposits payable	449,052	—
Deferred inflows for pensions	(43,666,175)	(14,992,255)
Net Cash Provided (Used) by Operating Activities	\$ (2,888,003,538)	\$ 219,312,255
Reconciliation of Cash and Cash Equivalents		
Current Assets:		
Cash and cash equivalents	\$ 1,478,890,965	\$ 155,188,019
Restricted cash and cash equivalents	740,282,803	2,206,726
Noncurrent Assets:		
Restricted cash and cash equivalents	635,185,819	94,977,040
Total Cash and Cash Equivalents – June 30	\$ 2,854,359,587	\$ 252,371,785

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	UNC Hospitals at Chapel Hill
Noncash Investing, Capital, and Financing Activities		
Assets acquired through the assumption of a liability	\$ 35,878,696	\$ 4,747,803
Assets acquired through the assumption of a capital lease	1,449,903	—
Assets acquired through a gift	30,324,862	—
Assets acquired through a service contract	5,382,199	—
Assets acquired through Service Concession Arrangement	25,557,027	—
Change in fair value of investments	254,982,987	59,056,339
Reinvested distributions	2,199,815	—
Loss on investment in joint ventures	(2,684,472)	—
Loss on disposal of capital assets	(20,870,756)	(1,421,246)
Bond issuance cost withheld	835,357	—
Funds escrowed to defease debt	54,358,425	—
Amortization of bond premiums/ discounts and deferred loss on refunding	(2,276,587)	(35,718)
Increase in receivables related to nonoperating income	12,323,436	—
Payments made on behalf of the University	(4,961,886)	—
Deferred economic gain on capital lease	2,110,000	—
Amortization of other deferred inflow	(138,724)	—

The University of North Carolina System

Statement of Net Position

June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Assets									
Current Assets:									
Cash and cash equivalents	\$ 73,456,427	\$ 244,981,267	\$ 6,887,479	\$ 11,691,832	\$ 53,257,004	\$ 32,423,689	\$ 167,212,568	\$ 18,506,217	\$ 259,571,676
Restricted cash and cash equivalents	4,866,344	44,024,027	3,624,072	4,978,105	20,487,460	8,720,428	118,122,221	3,037,353	365,512,792
Short-term investments	—	—	—	—	—	—	—	—	361,021,327
Restricted short-term investments	—	—	—	—	95,907	1,292,328	—	6,349	124,768,157
Receivables, net	9,807,200	45,641,944	2,299,098	3,147,046	14,720,059	8,585,012	71,545,288	1,191,789	283,845,535
Due from State of NC component units	—	—	577,433	—	—	87,792	2,976,590	—	29,030,824
Due from University component units	—	57,652	—	—	187,664	—	450,000	—	—
Due from primary government	—	—	—	179,877	—	—	7,528,701	—	2,857,908
Notes receivable, net	683,977	1,850,496	182,923	670,568	186,974	170,298	3,147,330	543,913	5,592,258
Inventories	12,649,389	5,719,971	89,155	132,061	491,772	790,903	5,187,115	231,439	20,974,206
Prepaid items	—	—	—	—	636,458	—	—	—	—
Other assets	673,922	4,087,151	768,059	—	—	—	—	—	9,664,553
<i>Total Current Assets</i>	<i>102,137,259</i>	<i>346,362,508</i>	<i>14,428,219</i>	<i>20,799,489</i>	<i>90,063,298</i>	<i>52,070,450</i>	<i>376,169,813</i>	<i>23,517,060</i>	<i>1,462,839,236</i>
Noncurrent Assets:									
Restricted cash and cash equivalents	28,838,466	120,730,073	2,248,378	4,859,019	44,500,407	5,708,830	132,571,357	45,018,111	133,420,025
Receivables, net	—	3,018,105	—	425,129	—	—	—	—	35,890,229
Endowment investments	15,515,176	51,030,091	11,012,690	15,911,688	48,015,639	31,972,545	311,538,011	13,924,425	1,956,020,361
Restricted investments	8,876,675	13,010	4,454,570	886	2,228	—	221,036,351	—	2,939,147,139
Other investments	7,160,465	—	74,245	475,922	—	—	165,849,541	—	114,505,372
Investment in joint venture	—	319,668	—	—	—	—	—	—	12,808,382
Cash surrender value									
of life insurance policies	—	—	—	—	—	—	—	—	—
Restricted due from University component units	—	—	—	—	—	—	—	2,000,000	—
Restricted due from primary government	—	—	—	5,121	—	1,232	—	—	327,656
Notes receivable, net	2,984,665	9,450,182	3,428	914,331	561,257	2,766,850	7,978,602	436,998	46,899,099
Prepaid items	—	—	551,073	—	—	—	—	—	—
Capital assets, nondepreciable	79,463,673	129,370,890	8,226,188	3,392,933	72,566,332	9,687,384	105,568,026	15,117,229	295,840,573
Capital assets, depreciable	526,444,763	919,340,726	135,340,563	178,829,056	294,369,009	255,348,053	1,916,095,794	177,453,702	2,795,016,082
<i>Total Noncurrent Assets</i>	<i>669,283,883</i>	<i>1,233,272,745</i>	<i>161,911,135</i>	<i>204,814,085</i>	<i>460,014,872</i>	<i>305,484,894</i>	<i>2,860,637,682</i>	<i>253,950,465</i>	<i>8,329,874,918</i>
Total Assets	771,421,142	1,579,635,253	176,339,354	225,613,574	550,078,170	357,555,344	3,236,807,495	277,467,525	9,792,714,154
Deferred Outflows of Resources									
Accumulated decrease in									
fair value of hedging derivatives	—	—	—	—	—	846,226	9,026,065	—	102,925,083
Deferred loss on refunding	8,669,891	3,492,590	151,327	—	292,305	4,947,373	—	338,877	11,860,443
Deferred outflows related to pensions	38,508,294	83,191,746	6,625,629	12,328,014	26,199,334	22,423,459	139,036,517	7,816,091	193,658,054
Total Deferred Outflows of Resources	47,178,185	86,684,336	6,776,956	12,328,014	26,491,639	28,217,058	148,062,582	8,154,968	308,443,580

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Assets										
Current Assets:										
Cash and cash equivalents	\$ 236,244,439	\$ 4,792,423	\$ 112,961,417	\$ 11,428,052	\$ 125,390,256	\$ 22,827,718	\$ 87,660,038	\$ 8,646,599	\$ 951,864	\$1,478,890,965
Restricted cash and cash equivalents	32,524,328	61,051,983	25,530,259	3,721,201	17,158,936	4,084,447	16,913,740	5,531,882	393,225	740,282,803
Short-term investments	—	—	909,422	—	—	—	—	—	—	361,930,749
Restricted short-term investments	—	—	9,254,902	2,325,289	—	—	—	1,239	—	137,744,171
Receivables, net	10,593,411	5,005,741	9,078,689	1,559,225	6,731,116	113,486	4,567,247	3,771,992	109,754	482,313,632
Due from State of NC component units	—	—	—	—	—	—	—	—	—	32,672,639
Due from University component units	—	—	—	—	—	6,371,150	—	—	312,036	7,378,502
Due from primary government	—	—	—	—	—	—	—	—	—	10,566,486
Notes receivable, net	659,006	—	1,404,766	38,555	391,165	80,417	927,813	25,795	—	16,556,254
Inventories	281,232	18,772	400,140	1,630,338	371,985	194,458	5,839,969	198,645	36,542	55,238,092
Prepaid items	9,428,592	1,864,102	—	—	319	1,250,000	—	—	175	13,179,646
Other assets	—	—	—	—	—	—	114,496	—	—	15,308,181
<i>Total Current Assets</i>	<i>289,731,008</i>	<i>72,733,021</i>	<i>159,539,595</i>	<i>20,702,660</i>	<i>150,043,777</i>	<i>34,921,676</i>	<i>116,023,303</i>	<i>18,176,152</i>	<i>1,803,596</i>	<i>3,352,062,120</i>
Noncurrent Assets:										
Restricted cash and cash equivalents	41,091,674	5,715,527	11,964,631	3,265,974	19,394,244	1,599,424	7,488,249	24,775,393	1,996,037	635,185,819
Receivables, net	—	—	730,104	416,724	3,331,252	—	83,361	—	—	43,894,904
Endowment investments	77,624,510	72,868,856	274,989,297	22,705,234	83,394,451	19,849,482	69,301,419	30,339,542	—	3,106,013,417
Restricted investments	11,115,984	11,061,069	—	1,636,523	—	4,282	1,305,983	110	—	3,198,654,810
Other investments	39,409	—	4,452,359	—	—	—	13,500	—	1,580	292,572,393
Investment in joint venture	—	—	—	—	—	—	—	—	—	13,128,050
Cash surrender value										
of life insurance policies	—	—	—	56,693	—	—	—	—	—	56,693
Restricted due from University componen	—	—	—	—	—	—	—	—	—	2,000,000
Restricted due from primary government	—	—	—	—	—	—	—	—	—	334,009
Notes receivable, net	5,050,660	—	3,452,179	400,554	3,528,611	287,485	4,432,551	406,460	—	89,553,912
Prepaid items	—	—	—	—	239	259,323	132,233	—	—	942,868
Capital assets, nondepreciable	111,059,127	896,258	121,274,268	4,590,928	26,837,268	6,361,596	18,268,112	16,331,187	3,800,151	1,028,652,123
Capital assets, depreciable	1,185,405,641	40,326,623	629,041,574	163,959,231	482,269,270	115,857,946	399,859,935	188,956,246	38,140,396	10,442,054,610
<i>Total Noncurrent Assets</i>	<i>1,431,387,005</i>	<i>130,868,333</i>	<i>1,045,904,412</i>	<i>197,031,861</i>	<i>618,755,335</i>	<i>144,219,538</i>	<i>500,885,343</i>	<i>260,808,938</i>	<i>43,938,164</i>	<i>18,853,043,608</i>
Total Assets	1,721,118,013	203,601,354	1,205,444,007	217,734,521	768,799,112	179,141,214	616,908,646	278,985,090	45,741,760	22,205,105,728
Deferred Outflows of Resources										
Accumulated decrease in										
fair value of hedging derivatives	—	—	—	1,507,968	—	—	—	—	—	114,305,342
Deferred loss on refunding	3,489,229	—	4,234,479	—	8,186,633	—	5,106,214	300,245	—	51,069,606
Deferred outflows related to pensions	42,497,909	8,264,503	29,886,669	11,441,765	22,745,996	5,572,882	19,221,414	14,458,719	4,438,263	688,315,258
Total Deferred Outflows of Resources	45,987,138	8,264,503	34,121,148	12,949,733	30,932,629	5,572,882	24,327,628	14,758,964	4,438,263	853,690,206

The University of North Carolina System

Statement of Net Position

June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Liabilities									
Current Liabilities:									
Accounts payable and accrued liabilities	18,055,275	38,267,735	2,456,653	2,396,487	9,240,007	5,021,629	43,570,047	1,971,776	156,785,965
Due to State of NC component units	—	—	—	—	—	—	445,849	—	13,459,633
Due to primary government	48,732	47,911	9,081	—	48,044	—	8,549,951	14,671	—
Obligations under reverse repurchase agreements	—	—	—	—	—	—	—	—	2,461,896
Short-term debt	—	—	—	—	—	—	5,145,000	—	63,000,000
Interest payable	2,527,170	3,417,789	365,125	556,295	1,038,727	773,579	4,629,220	393,858	4,499,636
Deposits payable	—	1,523,267	—	—	—	—	—	—	7,393,088
Funds held for others	507,192	—	—	—	—	87,792	—	3,937	2,794,951
Unearned revenue	7,217,279	15,221,638	400,651	1,347,889	2,994,887	897,529	45,474,047	2,071,328	124,371,053
Long-term liabilities - current portion	13,766,739	17,440,971	1,502,620	2,051,959	3,879,577	2,975,038	25,860,412	3,330,698	127,584,659
<i>Total Current Liabilities</i>	<i>42,122,387</i>	<i>75,919,311</i>	<i>4,734,130</i>	<i>6,352,630</i>	<i>17,201,242</i>	<i>9,755,567</i>	<i>133,674,526</i>	<i>7,786,268</i>	<i>502,350,881</i>
Noncurrent Liabilities:									
Accounts payable and accrued liabilities	181,877	—	—	—	—	—	—	—	—
Hedging derivatives liability	—	—	—	—	—	846,226	9,026,065	—	102,925,083
Unearned revenue	—	—	—	—	—	4,438,213	73,897,092	—	—
Deposits payable	205,408	—	—	—	—	400	3,210,132	65,015	—
Funds held for others	405,179	9,449,227	182,841	528,566	299,789	1,255,710	36,869,345	109,599	—
Funds held in trust for pool participants	—	—	—	—	—	—	225,728,003	—	3,020,492,007
U.S. government grants refundable	4,037,344	12,293,705	649,171	1,526,542	805,944	1,790,443	3,674,151	1,186,983	33,202,843
Long-term liabilities - noncurrent portion	315,292,196	494,892,167	41,162,585	81,680,620	154,028,806	126,244,610	839,048,134	102,056,847	1,702,568,778
<i>Total Noncurrent Liabilities</i>	<i>320,122,004</i>	<i>516,635,099</i>	<i>41,994,597</i>	<i>83,735,728</i>	<i>155,134,539</i>	<i>134,575,602</i>	<i>1,191,452,922</i>	<i>103,418,444</i>	<i>4,859,188,711</i>
Total Liabilities	362,244,391	592,554,410	46,728,727	90,088,358	172,335,781	144,331,169	1,325,127,448	111,204,712	5,361,539,592
Deferred Inflows of Resources									
Deferred gain on refunding	—	—	—	—	—	—	—	124,884	—
Deferred inflows related to pensions	2,605,634	6,381,514	1,915,331	1,124,599	1,753,205	2,168,375	9,565,156	516,740	15,469,694
Deferred revenue, split interest trust agreements	—	—	—	—	—	—	—	—	—
Deferred inflows under service concession arrangement	—	—	—	—	—	—	—	—	—
Deferred inflows related to endowments	—	—	—	—	—	—	—	—	—
Deferred inflows related to capital leases	—	—	—	—	—	—	—	—	—
Deferred state aid	—	—	—	—	—	—	—	—	—
Total Deferred Inflows of Resources	2,605,634	6,381,514	1,915,331	1,124,599	1,753,205	2,168,375	9,565,156	641,624	15,469,694

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Liabilities										
Current Liabilities:										
Accounts payable and accrued liabilities	13,878,802	3,051,146	16,225,282	2,271,007	4,527,875	1,643,782	4,238,089	2,290,159	1,039,632	326,931,348
Due to State of NC component units	—	—	—	—	—	—	—	—	—	13,905,482
Due to primary government	—	4,756	7,531	—	—	5,535	4,254	8,563	—	8,749,029
Obligations under reverse repurchase agreements	—	—	—	—	—	—	—	—	—	2,461,896
Short-term debt	—	—	—	—	—	—	—	—	—	68,145,000
Interest payable	5,877,734	784	3,331,385	650,232	1,702,479	14,467	788,067	839,932	963	31,407,442
Deposits payable	1,567,581	—	737,910	53,771	23,967	—	—	—	—	11,299,584
Funds held for others	100	3,649,272	33,154	—	—	—	—	—	235,123	7,311,521
Unearned revenue	8,831,467	7,274,737	3,370,284	169,435	7,872,224	1,781,845	7,322,595	5,587,686	404,887	242,611,461
Long-term liabilities - current portion	18,952,943	258,470	12,975,470	3,640,653	7,341,427	1,586,013	5,887,276	3,830,290	281,658	253,146,873
<i>Total Current Liabilities</i>	<i>49,108,627</i>	<i>14,239,165</i>	<i>36,681,016</i>	<i>6,785,098</i>	<i>21,467,972</i>	<i>5,031,642</i>	<i>18,240,281</i>	<i>12,556,630</i>	<i>1,962,263</i>	<i>965,969,636</i>
Noncurrent Liabilities:										
Accounts payable and accrued liabilities	—	—	2,030,358	—	—	—	1,715,156	—	—	3,927,391
Hedging derivatives liability	—	—	—	1,507,968	—	—	—	—	—	114,305,342
Unearned revenue	139,461	—	—	—	6,356,795	—	—	—	—	84,831,561
Deposits payable	—	—	—	298,513	—	—	117,669	121,524	—	4,018,661
Funds held for others	326,746	—	1,555,045	521,516	2,874,546	96,177	683,584	2,413,148	55,163	57,626,181
Funds held in trust for pool participants	11,884,281	—	3,713,502	—	—	—	—	—	—	3,261,817,793
U.S. government grants refundable	5,098,579	—	5,084,360	761,103	3,436,471	480,755	4,885,164	658,029	—	79,571,587
Long-term liabilities - noncurrent portion	605,799,308	15,802,021	410,142,953	71,495,371	259,208,616	15,616,989	157,634,410	128,557,883	8,561,628	5,529,793,922
<i>Total Noncurrent Liabilities</i>	<i>623,248,375</i>	<i>15,802,021</i>	<i>422,526,218</i>	<i>74,584,471</i>	<i>271,876,428</i>	<i>16,193,921</i>	<i>165,035,983</i>	<i>131,750,584</i>	<i>8,616,791</i>	<i>9,135,892,438</i>
Total Liabilities	672,357,002	30,041,186	459,207,234	81,369,569	293,344,400	21,225,563	183,276,264	144,307,214	10,579,054	10,101,862,074
Deferred Inflows of Resources										
Deferred gain on refunding	28,466	—	—	—	586,812	—	—	—	—	740,162
Deferred inflows related to pensions	2,871,345	560,948	3,311,474	850,489	1,867,618	360,232	1,284,055	1,143,678	296,031	54,046,118
Deferred revenue, split interest trust agreements	—	—	155,715	—	—	—	—	—	—	155,715
Deferred inflows under service concession arrangement	—	—	—	—	—	—	23,168,560	—	—	23,168,560
Deferred inflows related to endowments	—	—	—	—	—	1,000,000	—	—	—	1,000,000
Deferred inflows related to capital leases	—	—	—	—	—	—	—	2,961,028	—	2,961,028
Deferred state aid	—	34,840,000	—	—	—	—	—	—	—	34,840,000
Total Deferred Inflows of Resources	2,899,811	35,400,948	3,467,189	850,489	2,454,430	1,360,232	24,452,615	4,104,706	296,031	116,911,583

The University of North Carolina System

Statement of Net Position

June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Net Position									
Net investment in capital assets	371,461,600	753,036,622	112,708,300	119,663,588	293,854,377	197,852,201	1,413,679,229	145,288,645	1,655,225,285
Nonexpendable:									
Scholarships and fellowships	—	2,287,725	2,859,301	5,149,112	23,569,512	4,688,106	11,819,357	799,128	192,620,727
Research	20,000	—	—	—	—	—	—	—	21,439,326
Endowed professorships	15,251,450	31,618,266	5,010,000	5,149,555	12,927,407	10,943,855	100,717,339	7,336,500	385,259,221
Departmental uses	—	439,125	151,500	1,026,488	1,090,271	—	8,123,590	10,062	150,446,159
Loans	547,842	1,810,387	—	495,876	215,546	1,372,848	8,296,368	186,172	22,442,268
Art	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	63,869,107
Expendable:									
Scholarships and fellowships	696,419	3,031,855	4,086,774	5,587,405	8,953,558	3,554,510	31,546,395	1,933,680	242,214,739
Research	40,248	1,665,133	—	—	326,027	223,861	15,922,867	672,243	78,459,449
Endowed professorships	8,964,528	12,717,554	1,448,376	1,988,442	7,138,285	12,907,746	79,541,478	3,601,522	466,599,802
Departmental uses	57,606	847,760	—	80,998	7,921,287	2,397,307	40,861,641	179,341	443,741,873
Loans	—	—	318,739	—	—	—	1,102,670	—	—
Capital projects	3,676,733	33,750,247	1,888,982	1,551,978	3,609,538	4,748,276	84,923,854	2,918,590	86,534,071
Debt service	—	16,150,085	4,160,729	3,739,244	—	—	17,193,967	—	164,939,722
Art	—	—	—	—	—	—	—	—	—
Other	—	376,221	—	—	—	644	—	995,448	65,880,486
Restricted for specific programs	253,411	—	545,352	—	—	—	—	—	—
Operations and maintenance	—	—	—	—	—	—	—	—	—
Unrestricted net position	52,779,465	209,652,685	1,294,199	2,295,945	42,875,015	583,504	236,448,718	9,854,826	684,476,213
Total Net Position	\$ 453,749,302	\$ 1,067,383,665	\$ 134,472,252	\$ 146,728,631	\$ 402,480,823	\$ 239,272,858	\$ 2,050,177,473	\$ 173,776,157	\$ 4,724,148,448

The University of North Carolina System

Statement of Net Position

June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Net Position										
Net investment in capital assets	784,462,871	40,712,276	393,035,143	113,413,230	298,892,701	115,483,898	268,078,585	114,671,911	40,711,885	7,232,232,347
Nonexpendable:										
Scholarships and fellowships	6,239,159	12,832,785	85,120,466	8,543,288	24,233,537	322,503	22,520,026	3,716,776	—	407,321,508
Research	—	—	—	—	1,881,221	—	—	—	—	23,340,547
Endowed professorships	34,595,895	—	18,715,687	8,449,938	12,117,869	10,010,168	19,221,914	12,092,181	—	689,417,245
Departmental uses	4,011,223	48,813	35,956,178	197,356	18,709,356	4,641,145	885,136	2,640,355	—	228,376,757
Loans	1,898,114	—	874,969	—	940,810	33,887	929,012	71,567	—	40,115,666
Art	—	—	1,521,317	—	—	—	—	—	—	1,521,317
Other	215,998	1,315,389	7,162,457	—	—	—	—	—	—	72,562,951
Expendable:										
Scholarships and fellowships	5,592,545	33,507,606	72,111,366	2,509,208	13,841,217	241,019	19,729,178	126,281	—	449,263,755
Research	2,605,835	—	37,612	—	1,130,724	—	—	—	—	101,083,999
Endowed professorships	14,915,121	115,876	22,284,546	3,006,642	8,694,899	3,629,424	9,306,690	2,598,219	—	659,459,150
Departmental uses	4,861,988	32,115,611	33,385,194	1,300,546	12,486,488	3,911,841	2,738,962	11,808,096	—	598,696,539
Loans	—	—	1,038,052	—	706,119	—	432,090	210,409	—	3,808,079
Capital projects	18,913,623	1,083,872	12,928,838	2,955,461	6,844,438	7,129,343	6,477,309	3,718,523	1,997,617	285,651,293
Debt service	3,439	—	1,701	1,162,604	—	—	1,787,539	—	231	209,139,261
Art	—	—	1,035,453	—	—	—	—	—	—	1,035,453
Other	2,878,084	633,390	4,170,851	215,463	—	—	59,525	—	—	75,210,112
Restricted for specific programs	—	—	—	—	—	—	—	—	—	798,763
Operations and maintenance	—	—	—	1,704,799	—	—	—	—	—	1,704,799
Unrestricted net position	210,654,443	24,058,105	87,510,902	5,005,661	103,453,532	16,725,073	81,341,429	(6,322,184)	(3,404,795)	1,759,282,736
Total Net Position	\$ 1,091,848,338	\$ 146,423,723	\$ 776,890,732	\$ 148,464,196	\$ 503,932,911	\$ 162,128,301	\$ 433,507,395	\$ 145,332,134	\$ 39,304,938	\$12,840,022,277

The University of North Carolina System

Statement of Net Position

June 30, 2017	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Total Assets	\$ 771,421,142	\$ 1,579,635,253	\$ 176,339,354	\$ 225,613,574	\$ 550,078,170	\$ 357,555,344	\$ 3,236,807,495	\$ 277,467,525	\$ 9,792,714,154
Eliminations	—	—	—	—	—	—	—	—	(1,164,448,364)
Adjusted Total Assets	<u>771,421,142</u>	<u>1,579,635,253</u>	<u>176,339,354</u>	<u>225,613,574</u>	<u>550,078,170</u>	<u>357,555,344</u>	<u>3,236,807,495</u>	<u>277,467,525</u>	<u>8,628,265,790</u>
Total Deferred Outflows of Resources	47,178,185	86,684,336	6,776,956	12,328,014	26,491,639	28,217,058	148,062,582	8,154,968	308,443,580
Total Liabilities	362,244,391	592,554,410	46,728,727	90,088,358	172,335,781	144,331,169	1,325,127,448	111,204,712	5,361,539,592
Eliminations	—	—	—	—	—	—	—	—	(1,164,448,364)
Adjusted Total Liabilities	<u>362,244,391</u>	<u>592,554,410</u>	<u>46,728,727</u>	<u>90,088,358</u>	<u>172,335,781</u>	<u>144,331,169</u>	<u>1,325,127,448</u>	<u>111,204,712</u>	<u>4,197,091,228</u>
Total Deferred Inflows of Resources	2,605,634	6,381,514	1,915,331	1,124,599	1,753,205	2,168,375	9,565,156	641,624	15,469,694
Total Net Position	\$ 453,749,302	\$ 1,067,383,665	\$ 134,472,252	\$ 146,728,631	\$ 402,480,823	\$ 239,272,858	\$ 2,050,177,473	\$ 173,776,157	\$ 4,724,148,448
Eliminations	—	—	—	—	—	—	—	—	—
Adjusted Total Net Position	<u>\$ 453,749,302</u>	<u>\$ 1,067,383,665</u>	<u>\$ 134,472,252</u>	<u>\$ 146,728,631</u>	<u>\$ 402,480,823</u>	<u>\$ 239,272,858</u>	<u>\$ 2,050,177,473</u>	<u>\$ 173,776,157</u>	<u>\$ 4,724,148,448</u>

The University of North Carolina System

Statement of Net Position

June 30, 2017	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Total Assets	\$ 1,721,118,013	\$ 203,601,354	\$ 1,205,444,007	\$ 217,734,521	\$ 768,799,112	\$ 179,141,214	\$ 616,908,646	\$ 278,985,090	\$ 45,741,760	\$22,205,105,728
Eliminations	—	—	—	—	—	—	—	—	—	(1,164,448,364)
Adjusted Total Assets	<u>1,721,118,013</u>	<u>203,601,354</u>	<u>1,205,444,007</u>	<u>217,734,521</u>	<u>768,799,112</u>	<u>179,141,214</u>	<u>616,908,646</u>	<u>278,985,090</u>	<u>45,741,760</u>	<u>21,040,657,364</u>
Total Deferred Outflows of Resources	45,987,138	8,264,503	34,121,148	12,949,733	30,932,629	5,572,882	24,327,628	14,758,964	4,438,263	853,690,206
Total Liabilities	672,357,002	30,041,186	459,207,234	81,369,569	293,344,400	21,225,563	183,276,264	144,307,214	10,579,054	10,101,862,074
Eliminations	137,756	—	—	—	—	—	—	—	—	(1,164,310,608)
Adjusted Total Liabilities	<u>672,494,758</u>	<u>30,041,186</u>	<u>459,207,234</u>	<u>81,369,569</u>	<u>293,344,400</u>	<u>21,225,563</u>	<u>183,276,264</u>	<u>144,307,214</u>	<u>10,579,054</u>	<u>8,937,551,466</u>
Total Deferred Inflows of Resources	2,899,811	35,400,948	3,467,189	850,489	2,454,430	1,360,232	24,452,615	4,104,706	296,031	116,911,583
Total Net Position	\$ 1,091,848,338	\$ 146,423,723	\$ 776,890,732	\$ 148,464,196	\$ 503,932,911	\$ 162,128,301	\$ 433,507,395	\$ 145,332,134	\$ 39,304,938	\$12,840,022,277
Eliminations	(137,756)	—	—	—	—	—	—	—	—	(137,756)
Adjusted Total Net Position	<u>\$ 1,091,710,582</u>	<u>\$ 146,423,723</u>	<u>\$ 776,890,732</u>	<u>\$ 148,464,196</u>	<u>\$ 503,932,911</u>	<u>\$ 162,128,301</u>	<u>\$ 433,507,395</u>	<u>\$ 145,332,134</u>	<u>\$ 39,304,938</u>	<u>\$ 12,839,884,521</u>

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC Chapel Hill
Operating Revenues									
Student tuition & fees, net	\$ 121,958,398	\$ 198,549,676	\$ 4,343,670	\$ 17,918,098	\$ 64,582,415	\$ 46,955,074	\$ 307,439,091	\$ 24,457,326	\$ 426,855,854
Patient services, net	—	207,488,958	—	—	—	—	—	—	442,459,524
Federal appropriations	—	—	—	—	7,931,654	—	22,562,648	—	—
Federal grants and contracts	5,618,881	17,647,016	152,020	581,773	24,876,646	7,940,291	164,494,966	1,544,081	643,952,831
State and local grants and contracts	178,963	11,129,708	—	—	1,668,395	118,036	38,715,311	773,021	19,599,875
Nongovernmental grants and contracts	984,233	14,875,365	—	—	1,045,774	593,410	85,074,018	1,030,052	147,670,469
Sales and services, net	86,425,143	94,321,279	4,246,545	9,895,486	25,210,059	27,890,124	253,461,699	11,719,957	427,269,957
Interest earnings on loans	31,337	41,449	92,787	8,142	4,013	62,469	264,392	18,038	1,431,925
Other operating revenues, net	1,803,610	1,349,289	440,865	759,540	2,599,597	2,442,824	15,933,617	1,881,828	14,962,232
<i>Total Operating Revenues</i>	<u>217,000,565</u>	<u>545,402,740</u>	<u>9,275,887</u>	<u>29,163,039</u>	<u>127,918,553</u>	<u>86,002,228</u>	<u>887,945,742</u>	<u>41,424,303</u>	<u>2,124,202,667</u>
Operating Expenses									
Salaries and benefits	251,762,925	585,052,751	31,641,864	72,657,792	167,626,173	121,807,465	932,152,864	61,910,895	1,697,183,026
Supplies and materials	44,712,939	93,916,962	3,333,576	5,026,076	13,390,469	15,432,146	125,589,349	4,963,140	191,161,797
Services	45,148,094	116,197,951	11,407,528	18,448,195	51,953,425	32,739,548	263,000,838	13,762,756	782,161,586
Scholarships and fellowships	22,407,839	39,414,709	2,903,704	10,342,632	18,585,424	13,148,983	43,760,379	5,388,874	123,739,574
Utilities	10,473,494	17,762,975	2,384,928	2,739,149	5,660,333	5,565,397	34,128,182	2,486,201	79,080,897
Depreciation/ amortization	20,202,800	31,197,553	4,225,303	4,805,415	11,698,729	8,816,791	95,642,657	5,341,277	140,084,652
<i>Total Operating Expenses</i>	<u>394,708,091</u>	<u>883,542,901</u>	<u>55,896,903</u>	<u>114,019,259</u>	<u>268,914,553</u>	<u>197,510,330</u>	<u>1,494,274,269</u>	<u>93,853,143</u>	<u>3,013,411,532</u>
Operating Loss	<u>(177,707,526)</u>	<u>(338,140,161)</u>	<u>(46,621,016)</u>	<u>(84,856,220)</u>	<u>(140,996,000)</u>	<u>(111,508,102)</u>	<u>(606,328,527)</u>	<u>(52,428,840)</u>	<u>(889,208,865)</u>
Nonoperating Revenues/ (Expenses)									
State appropriations	138,091,358	294,056,862	33,375,070	54,000,326	92,518,300	83,728,634	506,418,963	39,864,860	500,212,327
Noncapital grants - student financial aid	33,443,957	34,779,078	6,040,539	16,001,283	40,301,363	20,864,649	44,532,489	8,422,089	15,991,507
Noncapital grants	7,768,582	16,446,008	6,888,855	14,940,138	10,422,252	13,075,364	530,255	840,665	118,753,785
Noncapital gifts, net	10,231,780	14,841,835	631,398	582,146	2,245,502	427,796	77,960,232	2,866,944	179,000,417
Interest and fees on debt	(10,060,353)	(8,141,154)	(2,063,261)	(3,385,710)	(3,846,685)	(5,089,301)	(21,378,848)	(2,514,912)	(56,960,171)
Investment income (loss)	4,169,520	9,449,809	1,039,512	1,869,538	7,123,196	4,312,143	35,265,691	1,818,085	267,069,770
Grants, aid and subsidies	—	—	—	—	—	—	—	—	—
Federal interest subsidy on debt	—	421,590	390,354	—	—	—	1,138,930	519,379	2,116,130
Other nonoperating revenues	—	—	22,053	—	—	340,695	—	—	—
Other nonoperating expenses	(1,490,100)	(3,715,855)	—	(223,679)	(193,689)	—	(3,457,605)	(362,154)	(42,929,104)
<i>Total Nonoperating Revenues/ (Expenses)</i>	<u>182,154,744</u>	<u>358,138,173</u>	<u>46,324,520</u>	<u>83,784,042</u>	<u>148,570,239</u>	<u>117,659,980</u>	<u>641,010,107</u>	<u>51,454,956</u>	<u>983,254,661</u>

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Operating Revenues										
Student tuition & fees, net	\$ 207,040,145	\$ —	\$ 106,878,472	\$ 24,687,973	\$ 111,043,411	\$ 15,052,285	\$ 60,200,292	\$ 21,708,028	\$ 467,356	\$ 1,760,137,564
Patient services, net	—	—	—	—	—	—	—	—	—	649,948,482
Federal appropriations	—	—	—	—	—	—	—	—	—	30,494,302
Federal grants and contracts	29,457,186	—	9,818,650	188,829	5,934,265	212,801	3,520,399	—	—	915,940,635
State and local grants and contracts	2,531,411	—	3,174,444	281,238	1,053,739	—	255,472	—	—	79,479,613
Nongovernmental grants and contracts	7,094,671	—	1,763,604	75,324	1,548,252	—	509,041	—	—	262,264,213
Sales and services, net	80,856,639	8,554,524	53,480,365	18,435,953	48,236,477	8,303,948	42,487,351	18,486,746	113,675	1,219,395,927
Interest earnings on loans	79,362	—	123,169	6,947	26,950	4,775	17,824	2,566	—	2,216,145
Other operating revenues, net	4,357,992	32,986	1,596,540	478,466	7,073,485	569,073	2,985,959	1,304,416	270,625	60,842,944
<i>Total Operating Revenues</i>	<u>331,417,406</u>	<u>8,587,510</u>	<u>176,835,244</u>	<u>44,154,730</u>	<u>174,916,579</u>	<u>24,142,882</u>	<u>109,976,338</u>	<u>41,501,756</u>	<u>851,656</u>	<u>4,980,719,825</u>
Operating Expenses										
Salaries and benefits	368,735,712	41,104,576	248,319,869	73,433,663	183,154,450	40,597,053	129,005,631	82,251,387	18,609,104	5,107,007,200
Supplies and materials	39,582,411	2,601,348	21,970,726	9,245,668	21,990,924	4,399,379	22,757,814	7,669,658	1,386,191	629,130,573
Services	94,968,648	28,185,826	62,507,081	20,989,842	59,051,369	10,271,181	40,502,102	29,255,231	2,566,239	1,683,117,440
Scholarships and fellowships	39,927,810	—	29,302,389	9,958,974	17,603,566	1,572,023	11,979,011	12,004,355	—	402,040,246
Utilities	12,793,110	1,675,007	8,540,438	3,341,067	7,751,968	2,131,473	4,554,183	2,829,598	997,852	204,896,252
Depreciation/ amortization	30,241,637	3,051,648	21,001,359	5,973,154	11,248,332	4,130,194	8,610,627	7,142,530	1,259,964	414,674,622
<i>Total Operating Expenses</i>	<u>586,249,328</u>	<u>76,618,405</u>	<u>391,641,862</u>	<u>122,942,368</u>	<u>300,800,609</u>	<u>63,101,303</u>	<u>217,409,368</u>	<u>141,152,759</u>	<u>24,819,350</u>	<u>8,440,866,333</u>
Operating Loss	<u>(254,831,922)</u>	<u>(68,030,895)</u>	<u>(214,806,618)</u>	<u>(78,787,638)</u>	<u>(125,884,030)</u>	<u>(38,958,421)</u>	<u>(107,433,030)</u>	<u>(99,651,003)</u>	<u>(23,967,694)</u>	<u>(3,460,146,508)</u>
Nonoperating Revenues/ (Expenses)										
State appropriations	231,745,912	306,310,110	153,781,139	55,584,432	124,217,703	31,003,555	89,333,309	65,869,317	21,699,940	2,821,812,117
Noncapital grants - student financial aid	65,023,171	—	53,465,453	19,614,480	24,551,829	1,874,542	24,807,950	21,688,821	—	431,403,200
Noncapital grants	483,881	43,858,913	15,914,487	3,207,756	—	129,253	224,956	11,166,462	324,345	264,975,957
Noncapital gifts, net	13,548,504	11,115,105	3,021,744	798,708	7,043,156	2,715,704	5,168,186	301,465	826,470	333,327,092
Interest and fees on debt	(21,242,964)	(11,293)	(11,869,043)	(2,905,794)	(8,768,588)	(187,246)	(4,115,016)	(3,845,199)	(13,853)	(166,399,391)
Investment income (loss)	9,942,849	10,115,916	34,641,444	2,323,893	10,636,097	2,470,804	8,176,669	3,130,278	—	413,555,214
Grants, aid and subsidies	—	(295,363,402)	—	—	—	—	—	—	—	(295,363,402)
Federal interest subsidy on debt	1,878,208	—	—	371,614	693,815	—	—	—	—	7,530,020
Other nonoperating revenues	—	—	—	—	—	146,089	—	—	15,800	524,637
Other nonoperating expenses	(1,515,846)	(77,919)	(1,846,478)	(335,782)	(661,247)	—	(643,938)	(41,101)	—	(57,494,497)
<i>Total Nonoperating Revenues/ (Expenses)</i>	<u>299,863,715</u>	<u>75,947,430</u>	<u>247,108,746</u>	<u>78,659,307</u>	<u>157,712,765</u>	<u>38,152,701</u>	<u>122,952,116</u>	<u>98,270,043</u>	<u>22,852,702</u>	<u>3,753,870,947</u>

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC Chapel Hill
Income/ (Loss) Before									
Transfers and Other Items	4,447,218	19,998,012	(296,496)	(1,072,178)	7,574,239	6,151,878	34,681,580	(973,884)	94,045,796
Capital appropriations	14,510,191	3,813,019	—	674,770	1,777,450	1,424,072	6,079,067	2,038,905	12,868,915
Capital grants	—	571,751	714,409	316,738	782,156	232,398	4,138,812	379,099	3,789,728
Capital gifts	627,519	912,372	—	—	72,695	—	4,380,717	—	16,995,926
Additions to endowments	1,506,619	1,879,290	104,334	284,913	3,396,887	1,000,000	9,645,619	107,529	16,968,135
Change in Net Position	21,091,547	27,174,444	522,247	204,243	13,603,427	8,808,348	58,925,795	1,551,649	144,668,500
Net position - July 1, as restated	432,657,755	1,040,209,221	133,950,005	146,524,388	388,877,396	230,464,510	1,991,251,678	172,224,508	4,579,479,948
Net Position - June 30	<u>\$ 453,749,302</u>	<u>\$ 1,067,383,665</u>	<u>\$ 134,472,252</u>	<u>\$ 146,728,631</u>	<u>\$ 402,480,823</u>	<u>\$ 239,272,858</u>	<u>\$ 2,050,177,473</u>	<u>\$ 173,776,157</u>	<u>\$ 4,724,148,448</u>

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Income/ (Loss) Before										
Transfers and Other Items	45,031,793	7,916,535	32,302,128	(128,331)	31,828,735	(805,720)	15,519,086	(1,380,960)	(1,114,992)	293,724,439
Capital appropriations	889,677	561,802	2,472,004	1,052,949	1,185,683	96,777	3,925,255	1,498,878	1,108,640	55,978,054
Capital grants	1,595,947	—	2,140,162	55,000	647,870	679,494	—	971,674	—	17,015,238
Capital gifts	9,102,318	—	290,322	663,174	802,872	5,607,104	640,000	—	—	40,095,019
Additions to endowments	2,359,172	15,000	10,869,629	694,661	2,814,635	—	1,803,979	79,506	—	53,529,908
Change in Net Position	58,978,907	8,493,337	48,074,245	2,337,453	37,279,795	5,577,655	21,888,320	1,169,098	(6,352)	460,342,658
Net position - July 1, as restated	1,032,869,431	137,930,386	728,816,487	146,126,743	466,653,116	156,550,646	411,619,075	144,163,036	39,311,290	12,379,679,619
Net Position - June 30	<u>\$ 1,091,848,338</u>	<u>\$ 146,423,723</u>	<u>\$ 776,890,732</u>	<u>\$ 148,464,196</u>	<u>\$ 503,932,911</u>	<u>\$ 162,128,301</u>	<u>\$ 433,507,395</u>	<u>\$ 145,332,134</u>	<u>\$ 39,304,938</u>	<u>\$ 12,840,022,277</u>

The University of North Carolina System

Statement of Revenues, Expenses and Changes in Net Position

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Total Revenues	\$ 427,350,091	\$ 922,574,354	\$ 58,482,411	\$ 117,832,891	\$ 286,558,354	\$ 211,407,979	\$ 1,578,036,517	\$ 98,281,858	\$ 3,257,969,307
Eliminations	(501,000)	(1,024,626)	(61,415)	(315,001)	(536,171)	(590,695)	(3,443,335)	(389,080)	(51,086,892)
Total Adjusted Revenues	426,849,091	921,549,728	58,420,996	117,517,890	286,022,183	210,817,284	1,574,593,182	97,892,778	3,206,882,415
Total Expenses	(406,258,544)	(895,399,910)	(57,960,164)	(117,628,648)	(272,954,927)	(202,599,631)	(1,519,110,722)	(96,730,209)	(3,113,300,807)
Eliminations	(60,831)	25,649	—	—	(12,500)	—	426,097	43,163	—
Total Adjusted Expenses	(406,319,375)	(895,374,261)	\$ (57,960,164)	\$ (117,628,648)	\$ (272,967,427)	\$ (202,599,631)	\$ (1,518,684,625)	\$ (96,687,046)	\$ (3,113,300,807)
Adjusted Change in Net Position	<u>\$ 20,529,716</u>	<u>\$ 26,175,467</u>	<u>\$ 460,832</u>	<u>\$ (110,758)</u>	<u>\$ 13,054,756</u>	<u>\$ 8,217,653</u>	<u>\$ 55,908,557</u>	<u>\$ 1,205,732</u>	<u>\$ 93,581,608</u>

The University of North Carolina System

Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Total Revenues	\$ 667,987,045	\$ 380,564,356	\$ 453,431,628	\$ 128,521,397	\$ 347,510,239	\$ 68,866,204	\$ 244,056,642	\$ 146,208,157	\$ 24,826,851	\$ 9,420,466,281
Eliminations	(1,889,045)	—	(864,291)	(32,500)	(362,108)	(144,984)	(215,566)	(169,172)	(14,456)	(61,640,337)
Total Adjusted Revenues	666,098,000	380,564,356	452,567,337	128,488,897	347,148,131	68,721,220	243,841,076	146,038,985	24,812,395	9,358,825,944
Total Expenses	(609,008,138)	(372,071,019)	(405,357,383)	(126,183,944)	(310,230,444)	(63,288,549)	(222,168,322)	(145,039,059)	(24,833,203)	(8,960,123,623)
Eliminations	(12,500)	61,563,061	(514,290)	(33,666)	—	37,500	40,898	—	—	61,502,581
Total Adjusted Expenses	(609,020,638)	(310,507,958)	(405,871,673)	(126,217,610)	(310,230,444)	(63,251,049)	(222,127,424)	(145,039,059)	(24,833,203)	(8,898,621,042)
Adjusted Change in Net Position	\$ 57,077,362	\$ 70,056,398	\$ 46,695,664	\$ 2,271,287	\$ 36,917,687	\$ 5,470,171	\$ 21,713,652	\$ 999,926	\$ (20,808)	\$ 460,204,902

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Cash Flows From Operating Activities									
Received from customers	\$ 213,208,149	\$ 549,449,022	\$ 9,090,777	\$ 28,565,133	\$ 120,527,726	\$ 88,098,955	\$ 874,296,553	\$ 41,837,983	\$ 2,179,129,006
Payments to employees and fringe benefits	(249,150,013)	(580,654,343)	(31,944,171)	(72,712,727)	(166,104,363)	(121,009,155)	(926,443,261)	(61,394,192)	(1,658,589,087)
Payments to vendors and suppliers	(98,367,037)	(227,196,488)	(17,320,096)	(26,052,167)	(71,267,274)	(53,300,095)	(415,820,009)	(21,558,680)	(1,030,762,194)
Payments for scholarships and fellowships	(22,407,839)	(39,414,709)	(2,903,704)	(10,342,632)	(18,498,343)	(13,148,983)	(43,760,379)	(5,367,242)	(123,739,574)
Loans issued	(414,875)	(2,309,276)	—	(240,642)	(147,893)	(582,199)	(2,058,752)	(131,018)	(5,445,663)
Collection of loans	734,839	1,904,918	150,199	346,659	218,816	301,140	1,989,771	212,728	5,591,574
Interest earned on loans	13,614	215,573	—	33,622	419	65,803	266,060	18,038	1,340,922
Student deposits received	5,168,182	1,745,546	—	—	—	—	—	—	—
Student deposits returned	(5,073,720)	(1,668,476)	—	—	—	—	—	—	—
Other receipts	1,837,010	—	248,644	732,710	2,599,597	—	15,897,070	—	3,460,088
Other payments	—	—	—	—	—	(493,218)	—	(350,347)	—
Net Cash Used by Operating Activities	(154,451,690)	(297,928,233)	(42,678,351)	(79,670,044)	(132,671,315)	(100,067,752)	(495,632,947)	(46,732,730)	(629,014,928)
Cash Flows From Noncapital Financing Activities									
State appropriations	138,091,358	294,056,862	33,375,070	54,000,326	92,518,300	83,728,634	506,418,963	39,864,860	500,212,327
State aid received	—	—	—	—	—	—	—	—	—
Noncapital grants - student financial aid	33,443,957	35,118,930	5,692,235	16,479,534	40,327,035	20,864,649	44,532,489	8,422,089	15,991,507
Noncapital grants	6,245,875	16,459,639	6,888,855	14,859,081	9,552,002	12,266,507	(821,882)	845,214	118,753,785
Noncapital gifts	9,238,828	14,784,889	631,398	900,903	2,245,502	427,796	77,510,232	2,866,944	133,372,425
Additions to endowments	1,506,619	1,879,290	104,334	284,913	3,396,887	1,000,000	9,645,619	107,529	16,968,135
William D. Ford Direct Lending receipts	92,074,859	160,342,474	7,732,230	32,107,581	81,092,107	94,461,392	114,678,102	14,254,543	180,528,097
William D. Ford Direct Lending disbursements	(92,560,192)	(160,417,137)	(7,732,230)	(31,904,699)	(81,092,107)	(94,461,392)	(111,197,222)	(14,254,543)	(180,958,910)
Related activity agency receipts	113,278	31,020,447	48,734	—	101,540	157,738	55,620,428	—	1,779,937,347
Related activity agency disbursements	(97,243)	(28,082,356)	—	(106,746)	(37,420)	—	(49,624,783)	—	(1,190,369,648)
External participation in investment fund receipts	—	—	—	—	—	—	42,213,000	—	—
External participation in investment fund disbursements	—	—	—	—	—	—	(16,441,134)	—	—
Proceeds from Hofmann Forest timber deed	—	—	—	—	—	—	128	—	—
Grants, aid, and subsidies	—	—	—	—	—	—	—	—	—
Other receipts	—	—	23,368	—	—	340,695	—	—	28,644,327
Other payments	(117,930)	—	—	—	—	—	(1,629,358)	—	—
Net Cash Provided by Noncapital Financing Activities	187,939,409	365,163,038	46,763,994	86,620,893	148,103,846	118,786,019	670,904,582	52,106,636	1,403,079,392

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Cash Flows From Operating Activities										
Received from customers	\$ 330,292,745	\$ 8,621,067	\$ 173,478,434	\$ 43,957,730	\$ 175,581,445	\$ 23,797,580	\$ 106,353,308	\$ 42,465,311	\$ 686,310	\$5,009,437,234
Payments to employees and fringe benefits	(367,109,410)	(40,806,853)	(247,316,042)	(72,726,724)	(182,407,768)	(40,597,804)	(128,335,290)	(81,622,766)	(18,396,151)	(5,047,320,120)
Payments to vendors and suppliers	(148,308,820)	(31,988,720)	(90,406,851)	(32,404,924)	(87,627,478)	(17,191,767)	(68,548,400)	(39,821,352)	(4,843,155)	(2,482,785,507)
Payments for scholarships and fellowships	(39,927,810)	—	(29,302,389)	(9,958,974)	(17,602,082)	(1,572,023)	(11,979,011)	(12,004,355)	—	(401,930,049)
Loans issued	(360,156)	—	(1,072,728)	(189,682)	(562,609)	(77,000)	(1,276,004)	(82,415)	—	(14,950,912)
Collection of loans	823,624	—	1,346,328	45,393	621,211	75,372	834,964	11,558	—	15,209,094
Interest earned on loans	97,781	—	192,129	4,924	8,886	1,213	103,448	2,566	—	2,364,998
Student deposits received	969,550	—	—	—	—	—	510,396	121,524	—	8,515,198
Student deposits returned	(878,050)	—	—	—	—	—	(531,874)	(143,648)	—	(8,295,768)
Other receipts	4,383,726	—	1,579,791	478,466	—	—	2,380,796	—	225,802	33,823,700
Other payments	—	(887,570)	—	—	(340,271)	—	—	—	—	(2,071,406)
Net Cash Used by Operating Activities	(220,016,820)	(65,062,076)	(191,501,328)	(70,793,791)	(112,328,666)	(35,564,429)	(100,487,667)	(91,073,577)	(22,327,194)	(2,888,003,538)
Cash Flows From Noncapital Financing Activities										
State appropriations	231,745,912	306,310,110	153,781,139	55,584,432	124,217,703	31,003,555	89,333,309	65,869,317	21,699,940	2,821,812,117
State aid received	—	34,840,000	—	—	—	—	—	—	—	34,840,000
Noncapital grants - student financial aid	65,023,171	—	53,465,453	19,614,480	24,596,671	1,874,542	24,807,950	21,711,408	—	431,966,100
Noncapital grants	483,881	43,852,726	16,533,881	3,109,971	—	129,253	224,956	11,349,611	230,823	260,964,178
Noncapital gifts	13,135,520	11,329,830	3,700,772	606,019	3,004,876	2,731,163	4,558,478	301,465	628,002	281,975,042
Additions to endowments	2,359,172	15,000	10,869,629	694,661	2,814,635	—	1,633,666	79,506	—	53,359,595
William D. Ford Direct Lending receipts	139,096,919	—	99,335,750	40,500,084	78,305,880	7,622,482	70,557,153	33,385,529	—	1,246,075,182
William D. Ford Direct Lending disbursements	(139,134,473)	—	(99,335,750)	(40,513,624)	(78,306,870)	(7,622,482)	(70,557,153)	(33,385,529)	—	(1,243,434,313)
Related activity agency receipts	45,904,303	—	47,002	—	990	—	2,449,238	276,108	15,801	1,915,692,954
Related activity agency disbursements	(58,162,997)	—	—	(85,049)	—	66,169	(2,456,511)	—	—	(1,328,956,584)
External participation in investment fund receipts	868,477	—	—	—	—	—	—	—	—	43,081,477
External participation in investment fund disbursements	(522,754)	—	—	—	—	—	—	—	—	(16,963,888)
Proceeds from Hofmann Forest timber deed	—	—	—	—	—	—	—	—	—	128
Grants, aid, and subsidies	—	(295,363,402)	—	—	—	—	—	—	—	(295,363,402)
Other receipts	1,433,346	—	—	—	—	311,127	100,360	—	—	30,853,223
Other payments	—	(51,285)	—	(147,958)	—	—	—	—	—	(1,946,531)
Net Cash Provided by Noncapital Financing Activities	302,230,477	100,932,979	238,397,876	79,363,016	154,633,885	36,115,809	120,651,446	99,587,415	22,574,566	4,233,955,278

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Cash Flows from Capital Financing and Related Financing Activities									
Proceeds from capital debt	26,324,356	—	—	464,566	—	—	275,623,952	48,947,554	89,214,347
Capital appropriations	14,510,191	3,813,019	—	674,770	1,777,450	1,424,072	6,079,067	2,038,905	12,868,915
Capital grants	—	571,751	714,409	316,738	782,156	232,398	3,777,093	380,021	2,297,511
Capital gifts	—	—	—	—	—	—	3,420,786	—	—
Proceeds from sale of capital assets	11,526	—	2,787	15,030	—	—	499,950	—	—
Acquisition and construction									
of capital assets	(27,403,347)	(82,413,705)	(3,621,974)	(2,498,075)	(36,544,402)	(2,944,914)	(96,295,640)	(6,163,482)	(127,991,945)
Principal paid on capital debt and leases	(11,257,471)	(11,360,092)	(1,337,957)	(3,654,157)	(3,034,612)	(2,104,252)	(277,334,382)	(2,661,946)	(99,119,318)
Interest and fees paid									
on capital debt and leases	(8,729,738)	(14,150,021)	(2,046,749)	(3,328,805)	(4,003,442)	(2,827,691)	(21,099,815)	(2,852,948)	(64,313,019)
Payment toward future property purchase	—	—	—	—	—	—	—	(2,000,000)	—
Federal interest subsidy on debt received	—	425,527	390,354	—	—	—	1,138,930	519,379	2,116,130
Other payments	—	—	—	—	—	—	(646,930)	—	—
Net Cash Provided (Used) by Capital Financing and Related Financing Activities	(6,544,483)	(103,113,521)	(5,899,130)	(8,009,933)	(41,022,850)	(6,220,387)	(104,836,989)	38,207,483	(184,927,379)
Cash Flows From Investing Activities									
Proceeds from sales									
and maturities of investments	500,613	2,305,454	13,880,609	97,470	199,958	6,143,562	8,359,488	922,059	4,230,194,024
Investment income	910,283	6,203,121	412,764	116,651	1,862,204	906,875	4,255,697	303,974	118,735,904
Purchase of investments and related fees	(6,796,162)	(6,936,408)	(18,748,259)	—	(2,076,464)	(7,546,867)	(152,730,288)	(79,005)	(4,665,640,858)
Change in obligations under									
reverse repurchase agreements	—	—	—	—	—	—	—	—	(12,793,104)
Net Cash Provided (Used) by Investing Activities	(5,385,266)	1,572,167	(4,454,886)	214,121	(14,302)	(496,430)	(140,115,103)	1,147,028	(329,504,034)
Net Increase (Decrease) in Cash and Cash Equivalents	21,557,970	(34,306,549)	(6,268,373)	(844,963)	(25,604,621)	12,001,450	(69,680,457)	44,728,417	259,633,051
Cash and cash equivalents -									
July 1, as restated	85,603,267	444,041,916	19,028,302	22,373,919	143,849,492	34,851,497	487,586,603	21,833,264	498,871,442
Cash and Cash Equivalents - June 30	\$ 107,161,237	\$ 409,735,367	\$ 12,759,929	\$ 21,528,956	\$ 118,244,871	\$ 46,852,947	\$ 417,906,146	\$ 66,561,681	\$ 758,504,493

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Cash Flows from Capital Financing and Related Financing Activities										
Proceeds from capital debt	11,750,000	(77,758)	41,382,381	396,141	68,504,051	—	—	23,245,170	—	585,774,760
Capital appropriations	889,677	561,802	2,472,004	1,052,949	1,185,683	96,777	3,925,255	1,498,878	1,108,640	55,978,054
Capital grants	1,595,947	—	2,140,162	55,000	647,870	679,494	—	971,674	—	15,162,224
Capital gifts	—	—	—	864,987	349,048	224,545	350,000	—	—	5,209,366
Proceeds from sale of capital assets	—	24,908	29,137	9,973	2,351,741	18,978	49,146	—	—	3,013,176
Acquisition and construction										
of capital assets	(77,861,487)	(928,758)	(54,449,548)	(6,122,221)	(16,688,392)	(1,723,633)	(30,312,429)	(10,185,532)	(4,170,488)	(588,319,972)
Principal paid on capital debt and leases	(16,095,671)	—	(12,493,748)	(4,351,836)	(78,672,303)	(545,981)	(4,985,483)	(3,938,023)	(100,854)	(533,048,086)
Interest and fees paid										
on capital debt and leases	(22,330,252)	(11,412)	(13,625,029)	(3,038,605)	(9,320,959)	(188,370)	(4,206,771)	(3,630,069)	(14,000)	(179,717,695)
Payment toward future property purchase cl	—	—	—	—	—	—	—	—	—	(2,000,000)
Federal interest subsidy on debt received	1,878,208	—	—	371,614	693,815	—	—	—	—	7,533,957
Other payments	—	—	—	—	(235,560)	—	—	—	—	(882,490)
Net Cash Provided (Used) by Capital Financing and Related Financing Activities	(100,173,578)	(431,218)	(34,544,641)	(10,761,998)	(31,185,006)	(1,438,190)	(35,180,282)	7,962,098	(3,176,702)	(631,296,706)
Cash Flows From Investing Activities										
Proceeds from sales										
and maturities of investments	6,846,024	3,136,110	74,127,365	24,474,602	3,343,459	984,655	3,831,501	4,810,850	—	4,384,157,803
Investment income	2,848,728	1,164,412	2,002,451	300,458	1,892,190	345,563	2,814,104	233,367	—	145,308,746
Purchase of investments and related fees	(2,510,207)	(480,940)	(82,964,808)	(24,519,110)	(461,691)	—	(4,893,513)	(4,873,429)	36,195	(4,981,221,814)
Change in obligations under										
reverse repurchase agreements	—	—	—	—	—	—	—	—	—	(12,793,104)
Net Cash Provided (Used) by Investing Activities	7,184,545	3,819,582	(6,834,992)	255,950	4,773,958	1,330,218	1,752,092	170,788	36,195	(464,548,369)
Net Increase (Decrease) in Cash and Cash Equivalents	(10,775,376)	39,259,267	5,516,915	(1,936,823)	15,894,171	443,408	(13,264,411)	16,646,724	(2,893,135)	250,106,665
Cash and cash equivalents -										
July 1, as restated	320,635,817	32,300,666	144,939,392	20,352,050	146,049,265	28,068,181	125,326,438	22,307,150	6,234,261	2,604,252,922
Cash and Cash Equivalents - June 30	\$ 309,860,441	\$ 71,559,933	\$ 150,456,307	\$ 18,415,227	\$ 161,943,436	\$ 28,511,589	\$ 112,062,027	\$ 38,953,874	\$ 3,341,126	\$ 2,854,359,587

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Reconciliation of Net Operating Loss									
to Net Cash Used by Operating Activities									
Operating loss	\$ (177,707,526)	\$ (338,140,161)	\$ (46,621,016)	\$ (84,856,220)	\$ (140,996,000)	\$ (111,508,102)	\$ (606,328,527)	\$ (52,428,840)	\$ (889,208,865)
Adjustments to reconcile operating income (loss) to provided (used) by operating activities:									
Depreciation/ amortization expense	20,202,800	31,197,553	4,225,303	4,805,415	11,698,729	8,816,791	95,642,657	5,341,277	140,084,652
Allowance, write-offs, and amortizations	(69,365)	(12,887)	(133,499)	467,248	63,844	751,586	(167,410)	(41,794)	8,887,956
Amortization of Service									
Concession Arrangement	—	—	—	—	—	—	—	—	—
Nonoperating other income	1,472,166	—	—	—	—	—	—	—	—
Other income	—	—	—	—	—	129,061	—	—	—
Nonoperating other expenses	—	—	—	—	—	—	—	(383,240)	—
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:									
Receivables, net	(273,200)	5,898,268	(33,884)	(464,075)	(4,908,634)	(253,451)	1,513,001	(303,186)	(49,080,487)
Due from primary government	—	—	—	—	—	—	(645,283)	—	—
Due from University component units	—	(27,324)	—	—	—	—	—	—	—
Due from State of NC component units	—	1,638,413	361,548	—	—	—	—	—	—
Inventories	(295,492)	291,436	9,122	(6,601)	82,532	(80,358)	740,565	42,726	2,771,306
Notes receivable, net	319,964	(404,358)	150,199	106,018	56,437	(281,059)	(31,050)	81,710	1,889,194
Prepaid items	—	(673,377)	35,107	—	(97,917)	—	—	—	—
Other assets	(18,294)	—	(183,545)	—	—	—	—	—	(4,026,879)
Deferred outflows for pensions	(29,379,275)	(63,482,154)	(5,066,196)	(9,437,350)	(20,121,970)	(17,439,842)	(107,751,560)	(5,676,258)	(149,480,601)
Accounts payable and accrued liabilities	1,010,889	1,444,582	7,763	128,730	336,458	343,333	1,921,957	(290,750)	14,527,124
Due to primary government	3,346	18,860	(16,266)	(9,239)	(1,105)	(21,892)	878,280	852	—
Due to State of NC component units	—	—	—	—	—	—	(68,204)	—	—
Due to Federal agencies	—	—	—	—	—	50,317	—	—	—
Funds held for others	94,462	—	—	—	—	—	—	(62,570)	—
Unearned revenue	(1,639,061)	(3,475,355)	(80,584)	365,036	7,831	1,573,839	1,679,082	797,185	105,404,962
Government grants refundable	—	—	—	(123,545)	—	(493,218)	—	—	1,659,591
Compensated absences	189,896	47,342	(38,989)	(6,779)	339,430	137,909	1,001,129	(41,821)	31,173,093
Net pension liability	33,787,376	73,109,319	5,558,707	10,166,707	22,382,775	19,837,829	123,547,259	6,579,960	169,272,884
Notes payable	—	—	—	—	—	—	—	—	—
Deposits payable	(16,526)	77,070	—	—	—	—	376,005	26,136	—
Deferred inflows for pensions	(2,133,850)	(5,435,460)	(852,121)	(805,389)	(1,513,725)	(1,630,495)	(7,940,848)	(374,117)	(12,888,858)
Net Cash Used by									
Operating Activities	<u>\$ (154,451,690)</u>	<u>\$ (297,928,233)</u>	<u>\$ (42,678,351)</u>	<u>\$ (79,670,044)</u>	<u>\$ (132,671,315)</u>	<u>\$ (100,067,752)</u>	<u>\$ (495,632,947)</u>	<u>\$ (46,732,730)</u>	<u>\$ (629,014,928)</u>

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities										
Operating loss	\$ (254,831,922)	\$ (68,030,895)	\$ (214,806,618)	\$ (78,787,638)	\$ (125,884,030)	\$ (38,958,421)	\$ (107,433,030)	\$ (99,651,003)	\$ (23,967,694)	\$ (3,460,146,508)
Adjustments to reconcile operating income (loss) to provided (used) by operating activities:										
Depreciation/ amortization expense	30,241,637	3,051,648	21,001,359	5,973,154	11,248,332	4,130,194	8,610,627	7,142,530	1,259,964	414,674,622
Allowance, write-offs, and amortizations	1,720,947	—	226,344	1,042,984	34,473	47,317	130,277	89,673	—	13,037,694
Amortization of Service										
Concession Arrangement	—	—	—	—	—	—	(605,163)	—	—	(605,163)
Nonoperating other income	95,897	—	—	—	361,817	—	—	—	—	1,929,880
Other income	—	—	—	—	—	—	—	—	—	129,061
Nonoperating other expenses	—	—	—	—	—	—	3,320	—	—	(379,920)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:										
Receivables, net	(86,431)	18,527	(538,384)	(660,524)	(362,852)	(37,800)	(1,006,395)	154,214	(104,667)	(50,529,960)
Due from primary government	—	—	—	—	—	—	—	—	—	(645,283)
Due from University component units	—	—	—	—	—	—	—	—	—	(27,324)
Due from State of NC component units	—	—	—	—	—	—	—	—	—	1,999,961
Inventories	20,625	26,140	4,531	600,122	(68,430)	(19,626)	(465,372)	5,433	1,504	3,660,163
Notes receivable, net	422,578	—	184,676	(144,290)	58,602	(1,628)	(155,045)	(70,858)	—	2,181,090
Prepaid items	(102,743)	615,857	—	—	991,177	(1,509,323)	(13,277)	—	(2)	(754,498)
Other assets	—	—	—	—	—	—	—	—	—	(4,228,718)
Deferred outflows for pensions	(32,259,938)	(6,349,293)	(23,092,206)	(8,993,446)	(17,841,940)	(4,298,736)	(14,243,011)	(10,933,913)	(3,244,627)	(529,092,316)
Accounts payable and accrued liabilities	(1,016,006)	(67,891)	2,984,781	523,881	(4,947,492)	149,915	(648,143)	(166,792)	54,021	16,296,360
Due to primary government	—	(11,544)	1,150	—	—	(8,093)	(11,323)	8,563	—	831,589
Due to State of NC component units	—	—	—	—	—	—	—	—	—	(68,204)
Due to Federal agencies	—	—	—	—	—	—	—	—	—	50,317
Funds held for others	—	(920,556)	—	—	(361,245)	—	—	—	59,848	(1,190,061)
Unearned revenue	1,852,729	48,015	(1,419,737)	—	5,888,504	(229,949)	211,544	811,908	105,280	111,901,229
Government grants refundable	—	—	—	—	47,259	1,659	—	—	—	1,091,746
Compensated absences	446,371	(14,296)	753,361	154,851	137,658	(215,241)	(143,780)	22,323	(11,602)	33,930,855
Net pension liability	36,047,525	7,013,189	25,540,961	10,130,883	19,902,866	4,671,017	16,393,555	12,437,921	3,776,917	600,157,650
Notes payable	—	—	—	—	—	1,009,323	—	—	—	1,009,323
Deposits payable	46,556	—	(30,200)	525	(4,530)	—	(3,860)	(22,124)	—	449,052
Deferred inflows for pensions	(2,614,645)	(440,977)	(2,311,346)	(634,293)	(1,528,835)	(295,037)	(1,108,591)	(901,452)	(256,136)	(43,666,175)
Net Cash Used by Operating Activities	<u>\$ (220,016,820)</u>	<u>\$ (65,062,076)</u>	<u>\$ (191,501,328)</u>	<u>\$ (70,793,791)</u>	<u>\$ (112,328,666)</u>	<u>\$ (35,564,429)</u>	<u>\$ (100,487,667)</u>	<u>\$ (91,073,577)</u>	<u>\$ (22,327,194)</u>	<u>\$ (2,888,003,538)</u>

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	Appalachian State University	East Carolina University	Elizabeth City State University	Fayetteville State University	North Carolina A&T State University	North Carolina Central University	North Carolina State University	UNC Asheville	UNC-Chapel Hill
Reconciliation of Cash and Cash Equivalents									
Current Assets:									
Cash and cash equivalents	\$ 73,456,427	\$ 244,981,267	\$ 6,887,479	\$ 11,691,832	\$ 53,257,004	\$ 32,423,689	\$ 167,212,568	\$ 18,506,217	\$ 259,571,676
Restricted cash and cash equivalents	4,866,344	44,024,027	3,624,072	4,978,105	20,487,460	8,720,428	118,122,221	3,037,353	365,512,792
Noncurrent Assets:									
Restricted cash and cash equivalents	28,838,466	120,730,073	2,248,378	4,859,019	44,500,407	5,708,830	132,571,357	45,018,111	133,420,025
Total Cash and Cash Equivalents - June 30	\$ 107,161,237	\$ 409,735,367	\$ 12,759,929	\$ 21,528,956	\$ 118,244,871	\$ 46,852,947	\$ 417,906,146	\$ 66,561,681	\$ 758,504,493

Noncash Investing, Capital, and Financing Activities

Assets acquired through the assumption of a liability	\$ 10,408,871	\$ 2,877,255	\$ —	\$ 617,077	\$ 5,017,228	\$ —	\$ 364,484	\$ 462,486	\$ 3,033,233
Assets acquired through the assumption of a capital lease	—	—	—	—	—	779,903	—	—	—
Assets acquired through a gift	627,519	912,372	—	—	72,695	—	959,931	—	16,995,926
Assets acquired through a service contract	—	—	—	—	—	—	—	—	—
Assets acquired through Service Concession Arrangement	—	—	—	—	—	—	—	—	—
Change in fair value of investments	3,254,875	3,425,200	626,749	1,741,873	5,260,993	3,111,334	25,924,943	1,288,359	147,522,203
Reinvested distributions	(153,197)	—	—	—	576,464	—	—	—	—
Loss on investment in joint ventures	—	(2,684,472)	—	—	—	—	—	—	—
Loss on disposal of capital assets	(1,340,874)	(1,634,136)	(1,314)	(223,679)	(193,689)	(17,500)	(546,239)	(31,855)	(11,613,211)
Bond issuance cost withheld	479,214	—	—	—	50,000	—	—	115,069	—
Funds escrowed to defease debt	21,170,195	—	—	9,947,000	2,653,419	—	—	—	—
Amortization of bond premiums/ discounts and deferred loss on refunding	(475,367)	955,340	(8,345)	30,958	(177,446)	(313,912)	(1,322,866)	68,145	1,677,406
Increase in receivables related to nonoperating income	2,008,041	—	—	—	—	—	—	—	—
Payments made on behalf of the University	(5,123,268)	—	—	—	—	—	—	—	—
Deferred economic gain on capital lease	—	—	—	—	—	—	—	—	—
Amortization of other deferred inflow	—	—	—	—	—	—	—	—	—

The University of North Carolina System

Statement of Cash Flows

For the fiscal year ended June 30, 2017

	UNC Charlotte	UNC System Office	UNC Greensboro	UNC Pembroke	UNC Wilmington	UNC School of the Arts	Western Carolina University	Winston-Salem State University	North Carolina School of Science and Mathematics	Total
Reconciliation of Cash and Cash Equivalents										
Current Assets:										
Cash and cash equivalents	\$ 236,244,439	\$ 4,792,423	\$ 112,961,417	\$ 11,428,052	\$ 125,390,256	\$ 22,827,718	\$ 87,660,038	\$ 8,646,599	\$ 951,864	\$ 1,478,890,965
Restricted cash and cash equivalents	32,524,328	61,051,983	25,530,259	3,721,201	17,158,936	4,084,447	16,913,740	5,531,882	393,225	740,282,803
Noncurrent Assets:										
Restricted cash and cash equivalents	41,091,674	5,715,527	11,964,631	3,265,974	19,394,244	1,599,424	7,488,249	24,775,393	1,996,037	635,185,819
Total Cash and Cash Equivalents - June 30	\$ 309,860,441	\$ 71,559,933	\$ 150,456,307	\$ 18,415,227	\$ 161,943,436	\$ 28,511,589	\$ 112,062,027	\$ 38,953,874	\$ 3,341,126	\$ 2,854,359,587
Noncash Investing, Capital, and Financing Activities										
Assets acquired through the assumption of a liability	\$ —	\$ —	\$ 8,372,462	\$ —	\$ —	\$ 312,099	\$ 2,314,995	\$ 1,503,682	\$ 594,824	\$ 35,878,696
Assets acquired through the assumption of a capital lease	—	—	—	670,000	—	—	—	—	—	1,449,903
Assets acquired through a gift	9,264,518	—	290,322	—	815,641	87,000	298,938	—	—	30,324,862
Assets acquired through a service contract	—	—	—	—	5,382,199	—	—	—	—	5,382,199
Assets acquired through Service Concession Arrangement	—	—	—	—	—	—	25,557,027	—	—	25,557,027
Change in fair value of investments	8,611,396	9,294,956	25,076,462	2,023,436	7,371,524	1,829,755	5,712,896	2,906,033	—	254,982,987
Reinvested distributions	—	—	—	—	—	—	1,776,548	—	—	2,199,815
Loss on investment in joint ventures	—	—	—	—	—	—	—	—	—	(2,684,472)
Loss on disposal of capital assets	(1,908,731)	(26,634)	(1,824,586)	(130,129)	(386,321)	(165,038)	(737,147)	(89,673)	—	(20,870,756)
Bond issuance cost withheld	—	—	—	—	—	—	—	191,074	—	835,357
Funds escrowed to defease debt	—	—	—	15,475,000	—	—	—	5,112,811	—	54,358,425
Amortization of bond premiums/ discounts and deferred loss on refunding	(1,284,503)	—	(2,007,662)	(3,106)	689,899	—	(49,766)	(55,362)	—	(2,276,587)
Increase in receivables related to nonoperating income	—	6,186	—	—	3,676,463	6,280,101	154,177	—	198,468	12,323,436
Payments made on behalf of the University	—	—	—	—	—	—	161,382	—	—	(4,961,886)
Deferred economic gain on capital lease	—	—	—	—	—	—	—	2,110,000	—	2,110,000
Amortization of other deferred inflow	—	—	—	—	—	—	—	(138,724)	—	(138,724)

The University of North Carolina System

Reconciliation of the Statement of Net Position for Individual UNC Institutions and UNC System Office to the Consolidated Statement

June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Assets			
Current Assets:			
Cash and cash equivalents	\$ 1,478,890,965	\$ —	\$ 1,478,890,965
Restricted cash and cash equivalents	740,282,803	—	740,282,803
Short-term investments	361,930,749	—	361,930,749
Restricted short-term investments	137,744,171	—	137,744,171
Receivables, net	482,313,632	—	482,313,632
Due from State of NC component units	32,672,639	—	32,672,639
Due from University component units	7,378,502	—	7,378,502
Due from primary government	10,566,486	—	10,566,486
Notes receivable, net	16,556,254	—	16,556,254
Inventories	55,238,092	—	55,238,092
Prepaid items	13,179,646	—	13,179,646
Other assets	15,308,181	—	15,308,181
<i>Total Current Assets</i>	<i>3,352,062,120</i>	<i>—</i>	<i>3,352,062,120</i>
Noncurrent Assets:			
Restricted cash and cash equivalents	635,185,819	—	635,185,819
Receivables, net	43,894,904	—	43,894,904
Endowment investments	3,106,013,417	—	3,106,013,417
Restricted investments	3,198,654,810	(1,164,448,364)	2,034,206,446
Other investments	292,572,393	—	292,572,393
Investment in joint venture	13,128,050	—	13,128,050
Cash surrender value of life insurance policies	56,693	—	56,693
Restricted due from University component units	2,000,000	—	2,000,000
Restricted due from primary government	334,009	—	334,009
Notes receivable, net	89,553,912	—	89,553,912
Prepaid items	942,868	—	942,868
Capital assets, nondepreciable	1,028,652,123	—	1,028,652,123
Capital assets, depreciable	10,442,054,610	—	10,442,054,610
<i>Total Noncurrent Assets</i>	<i>18,853,043,608</i>	<i>(1,164,448,364)</i>	<i>17,688,595,244</i>
Total Assets	22,205,105,728	(1,164,448,364)	21,040,657,364
Deferred Outflows of Resources			
Accumulated decrease in fair value of hedging derivatives	114,305,342	—	114,305,342
Deferred loss on refunding	51,069,606	—	51,069,606
Deferred outflows related to pensions	688,315,258	—	688,315,258
Total Deferred Outflows of Resources	853,690,206	—	853,690,206

The University of North Carolina System

Reconciliation of the Statement of Net Position for Individual UNC Institutions and UNC System Office to the Consolidated Statement

June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Liabilities			
Current Liabilities:			
Accounts payable and accrued liabilities	326,931,348	137,756	327,069,104
Due to State of NC component units	13,905,482	—	13,905,482
Due to primary government	8,749,029	—	8,749,029
Obligations under reverse repurchase agreements	2,461,896	—	2,461,896
Short-term debt	68,145,000	—	68,145,000
Interest payable	31,407,442	—	31,407,442
Deposits payable	11,299,584	—	11,299,584
Funds held for others	7,311,521	—	7,311,521
Unearned revenue	242,611,461	—	242,611,461
Long-term liabilities - current portion	253,146,873	—	253,146,873
<i>Total Current Liabilities</i>	<u>965,969,636</u>	<u>137,756</u>	<u>966,107,392</u>
Noncurrent Liabilities:			
Accounts payable and accrued liabilities	3,927,391	—	3,927,391
Hedging derivatives liability	114,305,342	—	114,305,342
Unearned revenue	84,831,561	—	84,831,561
Deposits payable	4,018,661	—	4,018,661
Funds held for others	57,626,181	—	57,626,181
Funds held in trust for pool participants	3,261,817,793	(1,164,448,364)	2,097,369,429
U.S. government grants refundable	79,571,587	—	79,571,587
Long-term liabilities - noncurrent portion	5,529,793,922	—	5,529,793,922
<i>Total Noncurrent Liabilities</i>	<u>9,135,892,438</u>	<u>(1,164,448,364)</u>	<u>7,971,444,074</u>
Total Liabilities	<u>10,101,862,074</u>	<u>(1,164,310,608)</u>	<u>8,937,551,466</u>
Deferred Inflows of Resources			
Deferred gain on refunding	740,162	—	740,162
Deferred inflows related to pensions	54,046,118	—	54,046,118
Deferred revenue, split interest trust agreements	155,715	—	155,715
Deferred inflows under service concession arrangement	23,168,560	—	23,168,560
Deferred inflows related to endowments	1,000,000	—	1,000,000
Deferred inflows related to capital leases	2,961,028	—	2,961,028
Deferred state aid	34,840,000	—	34,840,000
Total Deferred Inflows of Resources	<u>116,911,583</u>	<u>—</u>	<u>116,911,583</u>

The University of North Carolina System

Reconciliation of the Statement of Net Position for Individual UNC Institutions and UNC System Office to the Consolidated Statement

June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Net Position			
Net investment in capital assets	7,232,232,347	—	7,232,232,347
Nonexpendable:			
Scholarships and fellowships	407,321,508	—	407,321,508
Research	23,340,547	—	23,340,547
Endowed professorships	689,417,245	—	689,417,245
Departmental uses	228,376,757	—	228,376,757
Loans	40,115,666	—	40,115,666
Art	1,521,317	—	1,521,317
Other	72,562,951	—	72,562,951
Expendable:			
Scholarships and fellowships	449,263,755	—	449,263,755
Research	101,083,999	—	101,083,999
Endowed professorships	659,459,150	—	659,459,150
Departmental uses	598,696,539	—	598,696,539
Loans	3,808,079	—	3,808,079
Capital projects	285,651,293	—	285,651,293
Debt service	209,139,261	—	209,139,261
Art	1,035,453	—	1,035,453
Other	75,210,112	—	75,210,112
Restricted for specific programs	798,763	—	798,763
Operations and maintenance	1,704,799	—	1,704,799
Unrestricted net position	1,759,282,736	(137,756)	1,759,144,980
Total Net Position	\$ 12,840,022,277	\$ (137,756)	\$ 12,839,884,521

The University of North Carolina System

Reconciliation of the Statement of Revenues, Expenses, and Changes in Net Position for Individual UNC Institutions and UNC System Office to the Consolidated Statement

For the fiscal year ended June 30, 2017

	UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Operating Revenues			
Student tuition & fees, net	\$ 1,760,137,564	\$ 14,530	\$ 1,760,152,094
Patient services, net	649,948,482	—	649,948,482
Federal appropriations	30,494,302	—	30,494,302
Federal grants and contracts	915,940,635	(672,942)	915,267,693
State and local grants and contracts	79,479,613	(2,543,556)	76,936,057
Nongovernmental grants and contracts	262,264,213	(67,029)	262,197,184
Sales and services, net	1,219,395,927	(349,721)	1,219,046,206
Interest earnings on loans	2,216,145	—	2,216,145
Other operating revenues, net	60,842,944	(390,003)	60,452,941
<i>Total Operating Revenues</i>	<u>4,980,719,825</u>	<u>(4,008,721)</u>	<u>4,976,711,104</u>
Operating Expenses			
Salaries and benefits	5,107,007,200	26,907	5,107,034,107
Supplies and materials	629,130,573	—	629,130,573
Services	1,683,117,440	(590,084)	1,682,527,356
Scholarships and fellowships	402,040,246	526,790	402,567,036
Utilities	204,896,252	—	204,896,252
Depreciation/ amortization	414,674,622	—	414,674,622
<i>Total Operating Expenses</i>	<u>8,440,866,333</u>	<u>(36,387)</u>	<u>8,440,829,946</u>
Operating Loss	<u>(3,460,146,508)</u>	<u>(3,972,334)</u>	<u>(3,464,118,842)</u>
Nonoperating Revenues/ (Expenses)			
State appropriations	2,821,812,117	—	2,821,812,117
Noncapital grants - student financial aid	431,403,200	(627,563)	430,775,637
Noncapital grants	264,975,957	(48,114,547)	216,861,410
Noncapital gifts, net	333,327,092	(541,811)	332,785,281
Interest and fees on debt	(166,399,391)	—	(166,399,391)
Investment income (loss)	413,555,214	—	413,555,214
Grants, aid and subsidies	(295,363,402)	61,563,061	(233,800,341)
Federal interest subsidy on debt	7,530,020	—	7,530,020
Other nonoperating revenues	524,637	(340,695)	183,942
Other nonoperating expenses	(57,494,497)	(96,867)	(57,591,364)
<i>Total Nonoperating Revenues/ (Expenses)</i>	<u>3,753,870,947</u>	<u>11,841,578</u>	<u>3,765,712,525</u>
Income/(Loss) Before Transfers and Other Items	<u>293,724,439</u>	<u>7,869,244</u>	<u>301,593,683</u>
Capital appropriations	55,978,054	—	55,978,054
Capital grants	17,015,238	—	17,015,238
Capital gifts	40,095,019	—	40,095,019
Additions to endowments	53,529,908	(8,007,000)	45,522,908
Change in Net Position	<u>460,342,658</u>	<u>(137,756)</u>	<u>460,204,902</u>
Net position - July 1, as restated	12,379,679,619	—	12,379,679,619
Net Position - June 30	<u>\$ 12,840,022,277</u>	<u>\$ (137,756)</u>	<u>\$ 12,839,884,521</u>

The University of North Carolina System

Reconciliation of the Statement of Cash Flows for Individual UNC Institutions and UNC System Office to the Consolidated Statement

For the fiscal year ended June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Cash Flows From Operating Activities			
Received from customers	\$ 5,009,437,234	\$ —	\$ 5,009,437,234
Payments to employees and fringe benefits	(5,047,320,120)	—	(5,047,320,120)
Payments to vendors and suppliers	(2,482,785,507)	—	(2,482,785,507)
Payments for scholarships and fellowships	(401,930,049)	—	(401,930,049)
Loans issued	(14,950,912)	—	(14,950,912)
Collection of loans	15,209,094	—	15,209,094
Interest earned on loans	2,364,998	—	2,364,998
Student deposits received	8,515,198	—	8,515,198
Student deposits returned	(8,295,768)	—	(8,295,768)
Other receipts	33,823,700	—	33,823,700
Other payments	(2,071,406)	—	(2,071,406)
Net Cash Used by Operating Activities	(2,888,003,538)	—	(2,888,003,538)
Cash Flows From Noncapital Financing Activities			
State appropriations	2,821,812,117	—	2,821,812,117
State aid received	34,840,000	—	34,840,000
Noncapital grants - student financial aid	431,966,100	—	431,966,100
Noncapital grants	260,964,178	—	260,964,178
Noncapital gifts	281,975,042	—	281,975,042
Additions to endowments	53,359,595	—	53,359,595
William D. Ford Direct Lending receipts	1,246,075,182	—	1,246,075,182
William D. Ford Direct Lending disbursements	(1,243,434,313)	—	(1,243,434,313)
Related activity agency receipts	1,915,692,954	—	1,915,692,954
Related activity agency disbursements	(1,328,956,584)	—	(1,328,956,584)
External participation in investment fund receipts	43,081,477	—	43,081,477
External participation in investment fund disbursements	(16,963,888)	—	(16,963,888)
Proceeds from Hofmann Forest timber deed	128	—	128
Grants, aid, and subsidies	(295,363,402)	—	(295,363,402)
Other receipts	30,853,223	—	30,853,223
Other payments	(1,946,531)	—	(1,946,531)
Net Cash Provided by Noncapital Financing Activities	4,233,955,278	—	4,233,955,278
Cash Flows from Capital Financing and Related Financing Activities			
Proceeds from capital debt	585,774,760	—	585,774,760
Capital appropriations	55,978,054	—	55,978,054
Capital grants	15,162,224	—	15,162,224
Capital gifts	5,209,366	—	5,209,366
Proceeds from sale of capital assets	3,013,176	—	3,013,176
Acquisition and construction of capital assets	(588,319,972)	—	(588,319,972)
Principal paid on capital debt and leases	(533,048,086)	—	(533,048,086)
Interest and fees paid on capital debt and leases	(179,717,695)	—	(179,717,695)
Payment toward future property purchase closing	(2,000,000)	—	(2,000,000)
Federal interest subsidy on debt received	7,533,957	—	7,533,957
Other payments	(882,490)	—	(882,490)
Net Cash Used by Capital Financing and Related Financing Activities	(631,296,706)	—	(631,296,706)

Reconciliation of the Statement of Cash Flows for Individual UNC Institutions and UNC System Office to the Consolidated Statement

For the fiscal year ended June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Cash Flows From Investing Activities			
Proceeds from sales and maturities of investments	4,384,157,803	—	4,384,157,803
Investment income	145,308,746	—	145,308,746
Purchase of investments and related fees	(4,981,221,814)	—	(4,981,221,814)
Change in obligations under reverse repurchase agreements	(12,793,104)	—	(12,793,104)
Net Cash Used by Investing Activities	(464,548,369)	—	(464,548,369)
Net Increase in Cash and Cash Equivalents	250,106,665	—	250,106,665
Cash and cash equivalents - July 1	2,604,252,922	—	2,604,252,922
Cash and Cash Equivalents - June 30	\$ 2,854,359,587	\$ —	\$ 2,854,359,587

The University of North Carolina System

Reconciliation of the Statement of Cash Flows for Individual UNC Institutions and UNC System Office to the Consolidated Statement

For the fiscal year ended June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities			
Operating loss	\$ (3,460,146,508)	\$ —	\$ (3,460,146,508)
Adjustments to reconcile operating income (loss) to provided (used) by operating activities:			
Depreciation/ amortization expense	414,674,622	—	414,674,622
Allowance, write-offs, and amortizations	13,037,694	—	13,037,694
Amortization of Service Concession Arrangement	(605,163)	—	(605,163)
Nonoperating other income	1,929,880	—	1,929,880
Other income	129,061	—	129,061
Nonoperating other expenses	(379,920)	—	(379,920)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Receivables, net	(50,529,960)	—	(50,529,960)
Due from primary government	(645,283)	—	(645,283)
Due from University component units	(27,324)	—	(27,324)
Due from State of NC component units	1,999,961	—	1,999,961
Inventories	3,660,163	—	3,660,163
Notes receivable, net	2,181,090	—	2,181,090
Prepaid items	(754,498)	—	(754,498)
Other assets	(4,228,718)	—	(4,228,718)
Deferred outflows for pensions	(529,092,316)	—	(529,092,316)
Accounts payable and accrued liabilities	16,296,360	—	16,296,360
Due to primary government	831,589	—	831,589
Due to State of NC component units	(68,204)	—	(68,204)
Due to Federal agencies	50,317	—	50,317
Funds held for others	(1,190,061)	—	(1,190,061)
Unearned revenue	111,901,229	—	111,901,229
Government grants refundable	1,091,746	—	1,091,746
Compensated absences	33,930,855	—	33,930,855
Net pension liability	600,157,650	—	600,157,650
Notes payable	1,009,323	—	1,009,323
Deposits payable	449,052	—	449,052
Deferred inflows for pensions	(43,666,175)	—	(43,666,175)
Net Cash Used by Operating Activities	\$ (2,888,003,538)	\$ —	\$ (2,888,003,538)
Reconciliation of Cash and Cash Equivalents			
Current Assets:			
Cash and cash equivalents	\$ 1,478,890,965	\$ —	\$ 1,478,890,965
Restricted cash and cash equivalents	740,282,803	—	740,282,803
Noncurrent Assets:			
Restricted cash and cash equivalents	635,185,819	—	635,185,819
Total Cash and Cash Equivalents – June 30	\$ 2,854,359,587	\$ —	\$ 2,854,359,587

Reconciliation of the Statement of Cash Flows for Individual UNC Institutions and UNC System Office to the Consolidated Statement

For the fiscal year ended June 30, 2017

	Total of UNC Institutions and UNC System Office	Eliminations	Consolidated UNC Institutions and UNC System Office
Noncash Investing, Capital, and Financing Activities			
Assets acquired through the assumption of a liability	\$ 35,878,696	\$ —	\$ 35,878,696
Assets acquired through the assumption of a capital lease	1,449,903	—	1,449,903
Assets acquired through a gift	30,324,862	—	30,324,862
Assets acquired through a service contract	5,382,199	—	5,382,199
Assets acquired through Service Concession Arrangement	25,557,027	—	25,557,027
Change in fair value of investments	254,982,987	—	254,982,987
Reinvested distributions	2,199,815	—	2,199,815
Loss on investment in joint ventures	(2,684,472)	—	(2,684,472)
Loss on disposal of capital assets	(20,870,756)	—	(20,870,756)
Bond issuance cost withheld	835,357	—	835,357
Funds escrowed to defease debt	54,358,425	—	54,358,425
Amortization of bond premiums/ discounts and deferred loss on refunding	(2,276,587)	—	(2,276,587)
Increase in receivables related to nonoperating income	12,323,436	—	12,323,436
Payments made on behalf of the University	(4,961,886)	—	(4,961,886)
Deferred economic gain on capital lease	2,110,000	—	2,110,000
Amortization of other deferred inflow	(138,724)	—	(138,724)

Caption Variances

Certain captions vary from institution to institution. Certain common captions have been combined for presentation in the consolidated financial statements. All receivable captions have been combined and are presented as Receivables, net. Also, several universities use various captions for prepaid items. All references to prepaid assets, prepaid expense, prepaid insurance, and prepaid bond insurance are shown under the caption prepaid items. The following is a list of other captions that are presented with a different title in the consolidated University statements.

UNC Hospitals at Chapel Hill

Net patient service revenue

Contracted services

Communications, utilities, and travel

UNC Consolidation

Patent services, net

Services

Utilities

Glossary

Instruction - A functional expense category that includes expenses of the colleges, schools, departments, and other instructional divisions of the institution and expenses for departmental research and public service that are not separately budgeted. Includes general academic instruction, occupational and vocational instruction, community education, preparatory and adult basic education, and regular, special, and extension sessions. Also includes expenses for both credit and non-credit activities. Excludes expenses for academic administration where the primary function is administration (e.g., academic deans).

Research - A functional expense category that includes expenses for activities specifically organized to produce research outcomes and commissioned by an agency either external to the institution or separately budgeted by an organizational unit within the institution. The category includes institutes and research centers, and individual and project research. This function does not include nonresearch sponsored programs (e.g., training programs).

Public service - A functional expense category that includes expenses for activities established primarily to provide noninstructional services beneficial to individuals and groups external to the institution. Examples are conferences, institutes, general advisory service, reference bureaus, and similar services provided to particular sectors of the community. This function includes expenses for community services, cooperative extension services, and public broadcasting services.

Academic support - A functional expense category that includes expenses of activities and services that support the institution's primary missions of instruction, research, and public service. It includes the retention, preservation, and display of educational materials (for example, libraries, museums, and galleries); organized activities that provide support services to the academic functions of the institution (such as a demonstration school associated with a college of education or veterinary and dental clinics if their primary purpose is to support the instructional program); media such as audiovisual services; academic administration (including academic deans but not department chairpersons); and formally organized and separately budgeted academic personnel development and course and curriculum development expenses.

Student services - A functional expense category that includes expenses for admissions, registrar activities, and activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instructional program. Examples include student activities, cultural events, student newspapers, intramural athletics, student organizations, supplemental instruction outside the normal administration, and student records. Intercollegiate athletics and student health services may also be included except when operated as self-supporting auxiliary enterprises.

Institutional support - A functional expense category that includes expenses for the day-to-day operational support of the institution. Includes expenses for general administrative services, central executive-level activities concerned with management and long-range planning, legal and fiscal operations, space management, employee personnel and records, logistical services such as purchasing and printing, and public relations and development.

Glossary (cont.)

Operation and maintenance of plant - A functional expense category that includes expenses for operations established to provide service and maintenance related to campus grounds and facilities used for educational and general purposes. Specific expenses include utilities, fire protection, property insurance, and similar items. This function does include amounts charged to auxiliary enterprises, hospitals, and independent operations.

Student financial aid - Outright grants-in-aid, trainee stipends, tuition and fee waivers, and prizes awarded to students by the institution, including Pell grants. Awards to undergraduate students are most commonly referred to as "scholarships" and those to graduate students as "fellowships." These awards do not require the performance of services while a student (such as teaching) or subsequently as a result of the scholarship or fellowship. The term does not include loans to students (subject to repayment), College Work-Study Program (CWS), or awards granted to a parent of a student because of the parent's faculty or staff status. Also not included are awards to students where the selection of the student recipient is not made by the institution.

Auxiliary enterprises - Expenses for essentially self-supporting operations of the institution that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Examples are residence halls, food services, student health services, intercollegiate athletics (only if essentially self-supporting), college unions, college stores, faculty and staff parking, and faculty housing.

Independent operations - Expenses associated with operations that are independent of or unrelated to the primary missions of the institution (i.e., instruction, research, public service) although they may contribute indirectly to the enhancement of these programs. This category is generally limited to expenses of a major federally funded research and development center. Expenses of operations owned and managed as investments of the institution's endowment funds are excluded.

Depreciation - The allocation or distribution of the cost of capital assets, less any salvage value, to expenses over the estimated useful life of the asset in a systematic and rational manner. Depreciation for the year is the amount of the allocation or distribution for the year involved.

Hospital services - Expenses associated with a hospital operated by the postsecondary institution (but not as a component unit) and reported as a part of the institution. This classification includes nursing expenses, other professional services, general services, administrative services, and fiscal services.